Daily Report

Latin America

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FBIS-LAT-91-067 *8 April 1991*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Conference on Drug Trafficking Begins in Lima *[Madrid EFE]* 1
Group of Rio Ministers Discusses Regional Issues 1
Trade, Environment Proposals *[Madrid EFE]* 1
Drug, Debt Problems Viewed *[Madrid EFE]* 2
Southern Cone Ministers Criticize Subsidies *[Brasilia Radio]* 2

CARIBBEAN

Cuba

Iraqi Kurds Attempt To Occupy Embassy in Bonn *[Havana Radio]* 3
Roa Kouri Discusses UN Resolution No. 687 *[Havana TV]* 3
Editorial Explains No Vote *[Havana Radio]* 3
Details of UN Vote *[Havana TV]* 4
First Group of Health Workers Returns From Iraq *[Havana TV]* 4
Rio Group Ministers Reject Argentine Proposal *[Havana TV]* 4
Raul Castro Visits Train Accident Site; 57 Dead *[Havana International]* 4
Raul Castro Attends Central Army Ceremony *[Havana Radio]* 5
Robaina Addresses 3 Apr Communist Youth Rally *[Havana Radio/TV]* 5
Havana TV Notes Soviet Miners' Demands 8
Comparison of Castro Speech at UJC Rally 8
Comparison of Castro Visit to Cold Storage Plant 8

Bermuda

Britain's Death Penalty Request Sparks Debate *[CANA]* 8

British Virgin Islands

Britain Challenged on Death Penalty Decision *[CANA]* 9

Haiti

Pascal-Trouillot Placed Under House Arrest *[AFP]* 10
Justice Minister Press Release *[Port-au-Prince Radio]* 10
Ministers Meet With Foreign Aid Groups Abroad *[Port-au-Prince Radio]* 10

Trinidad and Tobago

Government Talks Fail To Settle Steel Strike *[CANA]* 10

MEXICO

President Departs for Visit to Canada, U.S. *[Mexico City TV]* 12

CENTRAL AMERICA

El Salvador

FMLN, Government Continue Meetings in Mexico *[San Salvador TV, etc.]* 13

Guatemala

Finance Minister Resigns; Health Reasons Cited *[ACAN]* 13

Honduras

Minister on Border Attack, Iraqi Business Ties *[LA PRENSA 3 Apr]* 13

Nicaragua

FSLN Outlines Program in Congress Document *[BARRICADA 3 Apr]* 14
Soviets Say No More Arms, Spare Parts to Region *[LA PRENSA 4 Apr]* 15

Paraguay

President Laments 'Brawl' During ANR Meeting *[ABC COLOR 6 Apr]* 16
Foreign Periodicals Allowed Entry for Now *[ABC COLOR 5 Apr]* 16
Proposed Reorganization of Colorado Board Rejected *[ABC COLOR 5 Apr]* 16

Panama

ADOC, Civic Crusade Meet 4 Apr; Set Agenda *[Panama City TV]* 16
Ruling Parties Hold Separate Top-Level Meetings *[Panama City Radio]* 17
Endara Vows 'Blow for Blow' Response to Charges *[LA PRENSA 5 Apr]* 17
Arnulfist Wants PDC Withdrawal From Coalition 18
Party Meets; Discusses Future *[Panama City TV]* 18
Support for Endara Reaffirmed *[Panama City Radio]* 18
'Arnulfist Government' Planned *[Panama City Radio]* 19
Party Requests Cabinet Changes *[Panama City TV]* 20
Christian Democrats Meet; Emphasize Unity 20
Will Not Respond to Endara *[Panama City TV]* 20
Vow To Remain in Alliance *[Panama City TV]* 20
Arias Calderon on Party Role *[Panama City Radio]* 21
Radio, Papers Outline Current Political Crisis *[Panama City Radio, etc.]* 21
Civic Crusade Member Urges Unity Among Parties *[Panama City Radio]* 23
Coalition Unity Emphasized *[Panama City Radio]* 23
Arnulfist Leader Deems Crusade's Conte 'Biased' *[Panama City TV]* 24
Parties Accept Crusade's 'Conciliatory Agenda' *[EL PANAMA AMERICA 7 Apr]* 24
Further on Accepted Agenda *[LA PRENSA 7 Apr]* 24
Presidency Memo Seen as Promoting 'Personalism' *[CRITICA LIBRE 6 Apr]* 25
Liberal Republicans Want Alliance Maintained *[Panama City TV]* 25
Liberal Party Leader Downplays Confrontation *[Panama City TV]* 26
Government Leaders Discuss 'Crisis' on TV Show 26
Party Officials View Situation *[Panama City TV]* 26
Arias Calderon on PDC Posts *[Panama City TV]* 30
Presidential Adviser on Need To Follow Policy *[Panama City TV]* 34
Christian Democrats Urge Endara To Solve Crisis *[Panama City TV* 35
'Official Source' on Possible Cabinet Changes *[LA ESTRELLA DE PANAMA 7 Apr]* 36
Ford Places Molirena Posts at Endara's Disposal *[Mexico City NOTIMEX]* 36
Endara Says Decision Will Be Announced 'Soon' *[Panama City TV]* 36
Ford Interviewed on Consultations With Endara *[Panama City TV]* 37
LA PRENSA Director Declines Cabinet Position *[Panama City Radio]* 38
Foreign Minister Denies Intention To Resign *[LA PRENSA 6 Apr]* 38
Security Director Bares on Reported Arms Purchase *[Panama City Radio]* 38
Housing Minister Comments *[Panama City Radio]* 39
Endara Accused of Money Laundering by PRD 40
President's Law Firm Named *[LA ESTRELLA DE PANAMA 5 Apr]* 40
Endara's Partner Refutes Charges *[Panama City Radio]* 41
Arias Calderon Incident at Presidency Discussed 42
Metal Detector Search Alleged *[LA PRENSA 4 Apr]* 42
Presidency Issues Communique *[Panama City TV]* 42
Witnesses Deny Search Occurred *[EL DIARIO INDEPENDIENTE 5 Apr]* 43
Legislator Says U.S. Embassy Aiding Instability *[EL DIARIO INDEPENDIENTE 6 Apr]* 43

SOUTH AMERICA

Argentina

Menem 'Not Worried' About Popularity Drop *[BUENOS AIRES HERALD 6 Apr]* 44
Menem, Duhalde Disagree on Handling of Yoma Case *[BUENOS AIRES HERALD 7 Apr]* 44
Duhalde Admits Possibility of Running for Governor *[BUENOS AIRES HERALD 6 Apr]* 45
Civil Servant Ranks Reduced by 8,300 Since Mar 90 *[BUENOS AIRES HERALD 5 Apr]* 45

Bolivia

Supplies, Ammunition, Military Experts Arrive *[La Paz Radio]* 46
Deputy Ratifies U.S. Report on Militarization *[La Paz Radio]* 46
COB Protests Militarization of Antidrug Effort *[La Paz Radio]* 46
Mineworkers Begin Strike 'To Defend' Industry *[La Paz Radio]* 47
Information Minister Rejects Union Decision *[La Paz Radio]* 47
Military Clear Railroad Tracks Blocked by Miners *[Madrid EFE]* 47
Government Says 24-Hour COB Strike 'Illegal' *[La Paz Radio]* 48

Brazil

Iraq Denies BBI Involvement in Arms Sales *[FOLHA DE SAO PAULO 4 Apr]* 48
Planned of Export Nuclear Fuel to Germany Viewed *[O GLOBO 3 Apr]* 48
Joint Nuclear Committee With Argentina To Meet *[Brasilia Radio]* 49
Judge Imposes Maximum Sentences on Traffickers *[O GLOBO 3 Apr]* 49
Trade Deficit of $7.2 Billion Reported for 1990 *[O GLOBO 5 Apr]* 49

Chile

Aylwin 'Will Not Negotiate' With Terrorists *[Santiago Radio]* 49
Pinochet Asserts Willingness To Fight Terrorism *[Santiago Radio]* 50
Teitelboim Reiterates Position Against Violence *[Santiago Radio]* 50
National Renewal Party Building Damaged by Bomb *[Santiago Radio]* 50
Three More Arrested in Guzman-Linked Murder Case *[Santiago Radio]* 51
Matthei, Hidalgo Dispute AN Blame for Rallies *[Santiago TV]* 51
President Aylwin Departs for 20-Day European Tour *[Madrid EFE]* 51

Colombia

Barrancabermeja Public Works Secretary Slain *[Bogota Radio]* 51
Ecopetrol Refinery 'Virtually Paralyzed' by Rebels *[Bogota Radio]* 51
* Extent, Nature of Government Corruption Viewed *[SEMANA 12 Mar]* 52
* Regular Troops To Comprise New Mobile Brigade *[EL TIEMPO 23 Feb]* 56

Paraguay

President Laments 'Brawl' During ANR Meeting *[ABC COLOR 6 Apr]* 56
Foreign Periodicals Allowed Entry for Now *[ABC COLOR 5 Apr]* 57
Proposed Reorganization of Colorado Board Rejected *[ABC COLOR 5 Apr]* 57

Peru

Terrorist Attacks Throughout Lima Reported *[AFP]* 57
Situation 'Returning to Normal' *[Lima TV]* 57
Attacks Knock Out Electricity *[Madrid EFE]* 58
Fujimori Departs for Japan, PRC, United States *[Lima TV]* 58
Fujimori To Communicate More With Congress *[EXPRESO 26 Mar]* 58
Fentup Workers Enter Congress To Demonstrate *[Lima TV]* 58

Venezuela

Government Warns Against Violent Demonstrations *[Hamburg DPA]* 59
* Industrialist Assesses CAP's Economic Policy *[EL UNIVERSAL 5 Mar]* 59

Guyana

Hoyte To 'Reconstitute' Elections Commission *[CANA]* 60
Price Expresses 'Satisfaction' With Registration *[CANA]* 60
PUC Chairman Tyndall Named After Rate Hikes *[CANA]* 61

Conference on Drug Trafficking Begins in Lima

PY0504212091 Madrid EFE in Spanish 0235 GMT 5 Apr 91

[Text] Lima, 4 Apr (EFE)—The participation of the Peruvian and Bolivian Armed Forces in the "war against drugs," through agreements with the United States, became the main subject of discussion in a conference on drug trafficking that began today in Lima.

Gonzalo Torrico, Bolivian Interior Ministry under secretary, told the press that his government has authorized the Army to become involved in the struggle against drug traffickers and to admit the entry of 112 U.S. instructors because in his country "fortunately, there are no guerrillas." [sentence as received]

Torrico made these remarks in Lima shortly after the Bolivian Congress decided to authorize the entry of U.S. troops to train two battalions in the war against drugs, following the decision by Bolivian President Jaime Paz Zamora's government to involve the Army in the repression of drug traffickers.

The new antidrug mission given to the Bolivian Army has led the opposition to fear an escalation of violence and to fear that the country may become involved in a "narcoterrorism" with the same level of violence that exists in Colombia, and in which "all sectors of society are involved."

The situation in Colombia was explained by Jesus Antonio Bejarano, Colombian President Cesar Gaviria's adviser for peace, who outlined at the conference his government policy on drugs. Bejarano said his government does not admit "any type of military intervention" in the antidrug campaign because of its possible implications with the strong guerrilla movement in Colombia.

The approximately 200 participants of the conference were expecting a report on the Peruvian position, but instead they received a written excuse sent at the last moment by Presidential Adviser Hernando de Soto, who justified his absence, arguing that he could not reveal details of an agreement he was negotiating on behalf of the Peruvian Government with the United States.

In a report on the Peruvian-U.S. antidrug agreement handed out to those present at the conference, it was learned that the agreement provides for the participation of the Peruvian Armed Forces together with the police, in "the struggle against drug traffickers and those who support or promote them," referring to the guerrillas.

Another point of the agreement is more concrete in this regard when it states that the U.S. aid to Peru "will be used in programs against drug trafficking, including occasions when it is associated with subversive actions."

In the Alto Huallaga Valley, on the northeastern side of the Andean Mountains, where it is understood that there are some 200,000 hectares of coca plantations, the Peruvian Government claims that there is a strong influence of guerrilla groups, especially of the maoist Shining Path movement, in the illegal trafficking of drugs.

The conference, which lasted two days, was organized by the Andean Commission of Jurists (CAJ), a UN consultative organization, to analyze the situation one year after the "Declaration of Cartagena" which signed in February 1990 by the presidents of the United States, Bolivia, Colombia, and Peru.

CAJ Executive Secretary Diego Garcia Sayan, a Peruvian citizen, has said that the agreement became a "worthless document" because the U.S. interest toward the Andean countries opposes its laws that condition the financial aid and the partial liberalization of trade rules to good or bad cooperation levels with the United States in the struggle against drugs.

Group of Rio Ministers Discusses Regional Issues

Trade, Environment Proposals

PA0604184391 Madrid EFE in Spanish 1810 GMT 4 Apr 91

[Text] Bogota, 4 Apr (EFE)—After two days of talks in Bogota, today the foreign ministers of the Group of Rio approved a Latin American proposal for the final declaration that will be signed at the Luxembourg meeting with their EC counterparts on 26 April.

In the proposal, consisting of four points and two sections, the Group of Rio asked for greater cooperation in the fields of finance, investments, science, technology, education, the training of administrators and businessmen, and in the regional and subregional integration processes.

The proposal of the Group of Rio, formed by Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela, included a section on trade and another on the environment.

Regarding financial cooperation, the proposal noted that the EC has decided "to recommend to its member governments that the European Investment Bank (BEI) open operations with the Group of Rio countries."

The ministers, the proposal adds, agree that this opening "will have a favorable effect on international capital market through the creation of a better atmosphere for investments and better use of the Community's financial mechanisms."

The EC and its member states decided to task a Community commission to examine, along with the 12 Community governments, BEI authorities, and Group of Rio governments, specific forms that this cooperation could take. The proposal indicates that this commission was authorized to analyze forms of association with national financial institutions of member states or international ones, such as the IDB.

The ministers deem necessary, the proposal adds, "that there be a decisive action on the part of developed creditor countries of the Paris Club to significantly reduce the official debt of Latin American and Caribbean countries."

The document recalls the commitment acquired with the Rome Declaration on 20 December on the priority of certain cooperation areas between the two parties, and thus, the EC and its members agreed to adopt the necessary measures to facilitate access of Group of Rio countries to certain scientific and technological programs. The Group of Rio ministers express their interest in the Community's support for efforts to expand in Latin America the TIPS ("Technological International Pilot System"), which seeks an exchange of technological and commercial information. The document also expresses common interest in the resumption of exchanges to train managers and businessmen from the Group of Rio countries.

As for cooperation within the regional and subregional integration process, the Group of Rio and the EC and its member states voice satisfaction over the upcoming signing of an agreement between the Community commission and the Latin American Integration Association (Aladi).

The two parties view with satisfaction the resumption of negotiations on the liberalization of commerce within the framework of the Uruguay round of talks, however, the Group of Rio countries express their concern over the situation that would face the region's exports once a sole European market is established in 1993.

In the proposal's final paragraph the ministers agree on the utmost importance for close collaboration on the environmental issue to guarantee the planet's ecological balance.

Drug, Debt Problems Viewed

PA0704161191 Madrid EFE in Spanish 2003 GMT 4 Apr 91

[Text] Bogota, 4 Apr (EFE)—The Group of Rio foreign ministers said today that foreign debt and drug trafficking problems have different effects on Latin American countries and, therefore, they need to be treated differently. Both problems were discussed during the foreign ministers meeting in Bogota, but they were discussed separately and the affected countries received only support from the group.

Colombian Foreign Relations Minister Luis Fernando Jaramillo explained today at a news conference that the debt problem "cannot be treated collectively" because it is different in every country and affects each country differently.

Ministers Enrique Silva from Chile, Carlos Torres y Torres Lara from Peru, and Reinaldo Figueredo from Venezuela also took part in the news conference.

According to Jaramillo, there are countries that have their entire debt with commercial banks, others have multilateral debt, and still others have debts with governments and banks. The Colombian minister said "there is no specific debt pattern and all of the Latin American countries are burdened differently." He said that terms, conditions, payments, and the countries' domestic difficulties vary and that is why it is better to negotiate individually. Jaramillo stressed that the same thing occurs with drug trafficking problems. Every country is affected differently, because in some countries the "effect is negligible," and in others, such as in Colombia, it is a priority problem.

The struggle against drug trafficking must be treated on the regional or bilateral level, such as in the case of the four affected Andean countries (Bolivia, Colombia, Ecuador, and Peru), which have requested specific aid.

The foreign minister explained, however, that drug problems are universal and that there will never be success if the efforts of all countries are not coordinated, especially in Europe, where there has been a noticeable increase in drug consumption. Jaramillo criticized the European authorities for not taking a definite stand on controlling drug consumption, adding that "it seems as if they are not interested or not taking it seriously."

Southern Cone Ministers Criticize Subsidies

PY0604020291 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 5 Apr 91

[Text] The agriculture ministers of the five Southern Cone countries have released a joint declaration condemning the subsidies that First World countries give their agricultural sectors. The document also criticizes the agricultural protectionism of the wealthy countries.

Brazilian Agriculture Minister Antonio Cabrera and the Argentine, Chilean, Paraguayan, and Uruguayan agriculture ministers have approved a list of 10 measures to implement the complementation of their countries' agricultural policies and the creation of a quality control code.

Cuba

Iraqi Kurds Attempt To Occupy Embassy in Bonn

FL0604193891 Havana Radio Reloj Network in Spanish 1912 GMT 6 Apr 91

[Text] A Cuban Embassy spokesman said in Bonn that an attempt by Iraqi Kurds residing in Germany to enter the diplomatic mission's building was prevented. Luis Toledo, political adviser of the Cuban Embassy, told the press that some 10 people jumped the fence in front of the embassy building and occupied the parking lot, which is Cuban territory.

The diplomat said that the intruders were apparently attempting to call to the attention of the press the current situation in the Iraqi Kurdistan, where clashes are taking place between armed Kurdish groups and the Army.

Toledo explained that when they entered the parking area, it was not known how far these people were willing to go, therefore, it was necessary to warn them with shots aimed in the air because under no circumstances could they be allowed to enter the embassy building.

Roa Kouri Discusses UN Resolution No. 687

FL0604191791

[Editorial Report] Havana Cuba Vision Network in Spanish at 0230 GMT on 6 April carries its 26-minute "International View" program on the UN Security Council Resolution No. 687 against Iraq.

Program host Valentin Rodriguez interviews Cuban Foreign Vice Minister Raul Roa Kouri on the subject. Roa Kouri says the Resolution No. 687 is the "broadest, most ambitious, and complex one the UN Security Council has adopted ever." He says that the true goal of the resolution is to place Iraq in a position in which it will never be able to play an important role in the Middle East to oppose the "hegemonic policy" of the United States in the region. Roa notes it is not necessary to maintain the economic embargo against Iraq because of the destruction caused by the Allied troops bombing, thus, the sanctions should be lifted immediately.

Responding to Rodriguez, Roa said Cuba tried to get the sanctions lifted to no avail. Also, instead of a cease-fire, Roa says Cuba advocates a complete end of hostilities in the Gulf inasmuch as the goal of liberating Kuwait and restoring its legitimate government was achieved. He adds that the United States has no intentions of withdrawing from the area. Roa refers to the amendments to the resolution submitted by Cuba and notes that only cosmetic changes were made.

Roa explains Cuba's no vote on the resolution. He says Cuba condemned Iraq for invading Kuwait, however, it believed that a peaceful solution could have been found. Cuba did not want a legal and political precedent to be established in the United Nations, he says. He cites as an example that, according to the UN Charter, the United Nations should not get involved in border disputes and that through Resolution No. 687 the United Nations does just that. He continues saying that the resolution covers many aspects in an unilateral way serving the "hegemonic interests of the United States in the area."

Roa asserts that the present UN Security Council corresponds to an international correlation of forces which existed at the end of the World War II. He says this situation no longer exists and that it should become democratized and correspond more to the reality of the world today.

Finally, Rodriguez characterizes the approval of Resolution No. 687 as a monstrosity and it is a violation of international law. He adds that the resolution has turned into vengeance and not an instrument of the United Nations which could bring a peaceful atmosphere in the region. He asks: "What kind of guarantee of peace can there be if the United Nations is manipulated and controlled by the United States?"

Editorial Explains No Vote

FL0604173091 Havana Radio Reloj Network in Spanish 1502 GMT 6 Apr 91

[Text] The reason our country voted against the UN Security Council's Resolution No. 687 on Iraq was explained in an editorial published by the newspaper GRANMA today. Cuba's decision was made because of principles, legal, humanitarian, and political reasons.

The latest U.S. document subjects Iraq to a [words indistinct] of its sovereignty, [words indistinct] hostilities, and deprives it from the ability of opposing the imperialist hegemony in the region.

The GRANMA editorial cites, among other things, the vote was made against the Resolution No. 687 because Cuba believes the United Nation's jurisdiction in the matter of the demarcation line between Iraq and Kuwait is not clear.

As a second point it adds that the U.S. proposal for Iraq to unconditionally accept that all its weapons be destroyed without including the rest of the countries in the region in the agreement.

The GRANMA editorial points out a third reason to say no to Resolution No. 687. It says it is irritating for the sanctions against Iraq to continue in force after Kuwait was liberated and its legitimate government restored.

As fourth point, the newspaper adds that the United States is demanding that Iraq stops terrorist acts, methods, and practices but it does not apply this to the rest of the states, including itself.

The U.S. resolution indicates that the Iraqi people will have to pay restitution not only to Kuwait, which would be legitimate, but also to Western governments and corporations, which is unacceptable.

If only the points mentioned here were considered, in addition to other points and omissions in the UN document, it would be understandable that Cuba said no to the resolution, says the GRANMA editorial. In line with its behavior at the United Nations throughout the Gulf crisis, Cuba voted against this new demanding U.S. document, says GRANMA. With the same firmness with which it accuses the criminal actions of Iraq against the sovereign state of Kuwait and voted in favor of the immediate and unconditional withdrawal of the Iraqi troops, Cuba was the only country that voted against the draconian resolution. GRANMA adds that the document submitted by the United States and co-sponsored by the UK, France, Belgium, and Romania, imposes new monstrous and leonine conditions to Iraq so that, according to them, an official cease-fire can come into effect among the countries in conflict.

The editorial also asserts that the U.N.-approved resolution leaves the possibility open for reprisals in the event that Iraq does not accept the U.S. document.

The editorial published by GRANMA today entitled "With All the Consequences, Justice, and Independence" explaining the reasons Cuba voted against the Resolution No. 687, reaffirms the fundamental elements of our policy. The categorical no in solidarity with our flag symbolizes and materializes the defense of law, principles, and justice. This was said by Fidel during the youths rally at the Revolution Square. He added: That categorical no is the rejection of the new world order proclaimed by Bush, which is nothing but the American peace, which is similar to the peace of the Roman Empire under a different name.

History gave us the opportunity of showing how independent we are. History gave us the right to proclaim that we are today the most independent country in the world. He stressed that saying no to the imperialists is one of the most glorious actions that have ever been carried out.

Details of UN Vote

FL0604140091 Havana Tele Rebelde Network in Spanish 1200 GMT 6 Apr 91

[Text] Establishing a new precedent in making decisions on the domestic affairs of states, the UN Security Council approved in the last few hours another resolution condemning the Iraqi Government for the way in which it is dealing with the conflict with the civilian population, especially the Kurds. The resolution was approved with 10 votes in favor, three against—Cuba, Yemen, and Zimbabwe. The PRC and India abstained.

The decision violates the UN Charter inasmuch as the Security Council, for the first time in its history, legislated on the domestic affairs of a UN member. The new resolution states that it condemns the repression on the civilian population in many areas in Iraq, including the areas with Kurdish population. In addition, it asks Iraq to end the repressive activity and contribute to an open dialogue to ensure the human and political rights of the Iraqi citizens.

First Group of Health Workers Returns From Iraq

FL0604124591 Havana Tele Rebelde Network in Spanish 1200 GMT 6 Apr 91

[Text] The first group of health workers that fulfilled an internationalist mission in Iraq returned to our country last night. Carlos Rafael Rodriguez, Vilma Espin, and Armando Hart—members of the Communist Party of Cuba Politburo—welcomed them with an embrace. They were joined by the relatives of the 41 technicians, nurses, and doctors, who are mostly women.

In a brief joint statement read at the airport, they reasserted their revolutionary conviction which grows when there is awareness of proletariat internationalism.

Rio Group Ministers Reject Argentine Proposal

FL0504152091 Havana Tele Rebelde Network in Spanish 1200 GMT 5 Apr 91

[Text] The foreign ministers of the Rio Group meeting in Bogota have rejected an Argentine proposal which asked for a condemnation of Cuba for alleged human right violations. The proposal made by Argentine Foreign Minister Guido di Tella, during a closed-door meeting, was widely rejected. The Argentine proposal only had the support of Costa Rica, according to remarks made to PRENSA LATINA by one participant who asked not to be identified.

Responding to reporters, Venezuelan Foreign Minister Reinaldo Figueredo confirmed that the subject of Cuba was discussed during the meetings. The Rio Group concluded their meeting in Bogota yesterday with a call to the EEC to reduce substantially the official foreign debt of Latin American and Caribbean countries.

Raul Castro Visits Train Accident Site; 57 Dead

PA0704232891 Havana International Service in Spanish 0000 GMT 7 Apr 91

[Text] Early on 6 April, Havana-Guantanamo passenger train No. 5 had a serious accident that has left 57 people dead and 120 injured, including 27 who are in critical condition. This is the country's worse railroad accident in the past 50 years. The train was on the modern and secure central railway that was constructed a few years ago. It was carrying more than 1,000 passengers and two cars with mail and merchandise. The accident occurred when five passenger and two express cars derailed at kilometer 234, approximately 28 km from Santa Clara.

The people's solidarity manifested itself a few minutes after the accident, and people have worked tirelessly to rescue the victims. The dead and wounded were sent to

hospitals in the nearby Santo Domingo and Manacas communities and to Santa Clara's four hospitals and other medical centers.

General Raul Castro Ruz, second secretary of the Central Committee of the Communist Party of Cuba and Revolutionary Armed Forces minister, along with Commander of the Revolution Juan Almeida Bosque and other party and government leaders, arrived at the site shortly after the accident.

Large cranes are now lifting the derailed cars and worker brigades are repairing the damaged railway.

Raul Castro Attends Central Army Ceremony

FL0404211591 Havana Radio Reloj Network in Spanish 2032 GMT 4 Apr 91

[Text] Army General Raul Castro, second secretary of the Central Committee of the Communist Party of Cuba and minister of the Revolutionary Armed Forces [FAR], has attended a ceremony in Villa Clara to mark the 30th anniversary of the Central Army. Raul saluted the residents of Matanzas, Ciego de Avila, Sancti Spiritus, Villa Clara, and Cienfuegos Provinces for the work they have done to defend production.

During the event a group of combatants, including Commander of the Revolution Juan Almeida Bosque, the first chief of the Central Army, and current Division General Joaquin Quintas Solas, received certificates as founders of that army command. The closing speech for the national ceremony to mark the 30th anniversary of the Central Army was made by Division General Ulises Rosales del Toro, an alternate Politburo member and first vice minister of the FAR. He called for further consolidation of defense.

Robaina Addresses 3 Apr Communist Youth Rally

FL0504231691 Havana Radio and Television Networks in Spanish 0133 GMT 4 Apr 91

[Speech by Roberto Robaina, first secretary of the Union of Young Communists (UJC), during a UJC rally in Revolution Square in Havana—live]

[Text] Cuban youths who have joined [sumados] in from San Antonio to Maisi. [crowd applauds and cheers] Youths who have joined in faithfulness, dignity, our only party, and our invincible people. [applause] We have met in this square many times before. This square brings many memories to our parents, our older siblings, and to us. In this square we have learned how the minds and hearts of the entire people can express themselves in a single voice which tells the world of our way of life. It is precisely in this square that we are announcing the Sixth Congress of the Union of Young Communists. [crows cheers and applauds].

The first youths who came en masse to this place are now adults, and all of us who are here are or were Pioneers. Those who gathered in December 1961 dressed as literacy teachers to tell Marti that they had fulfilled his dream which said: To know how to read is to know how to walk, and to know how to write is to know how to rise. They came with their first quota of martyrs who had taught others how to walk and how to rise. After paying tribute to the master, they said in a single voice: Fidel, tell us what else we have to do. That was the seed that made it possible to develop the talent we have today, the possibilities of the victorious people, and a new generation which was nurtured with its own mind and genuine ideas.

This generation is present here today, and it is natural that it should be characterized by the audacity of its revolutionary ideas. Many things have been done since then, and many more are yet to be done. The Fourth Congress of the Communist Party of Cuba is much closer than our congress, which will take place in April 1992. As our enemies have more than enough charlatans, they never tire of speculating about the future of the country, of the possible agenda that congress will have. Some cheap analysts imagine that the young people will attack those in power, and they refuse to acknowledge that we do not need to attack them because we share power today, hand in hand, with all the generations of revolutionaries. [applause]

Our enemies demand changes, they demand transformations, they demand that we copy, they demand that we stop being what we are to be what they want us to be. Some who spend sleepless nights have even predicted changes of name and political line. Nevertheless, this party, these people, and these youths are changing and rectifying things under their very own noses. We are changing what we ourselves are asking for. [applause] What happens is that, as usual, there are none so blind as those who will not see. Of course, we rectify what needs to be rectified when we have to and when we need to, before or after any meeting, no matter how important it may be.

The revolution—and we all know this, especially those of us who are building it—is not conducted during meetings. Things do not change in a country in a few days. In any case, we have rectified things and we are revolutionizing even our own meetings. [applause]

To everyone's satisfaction, we recently discussed the call for the party congress, members and nonmembers on an equal basis. Our unity of action and common strategy has been strengthened with those opinions and views, which not always have been unanimous.

The largest membership in our country is not the Communists. The most revolutionary and most overwhelming membership in our country is the revolutionaries, which include the entire people. [applause] It is these revolutionaries composed of all the people who are building their future from sunrise to sunset, who create and defend their future with sweat and blood when it has been necessary—with enthusiasm and firmness, with

happiness and courage, with determination and patriotism—who are building their fatherland with the weapons and souls of Cubans. [applause]

Dear comrades, our people and our youths do not favor little changes in language but changes in our work concepts, work discipline, and work efficiency. We all favor dedication today. These changes will not depend on meetings and will not wait for the congress. First of all, the changes respond to our necessities, our reality, and our history, our urgent needs and concerns, our own hopes, and our revolutionary principles.

Those who are waiting for the disaster, chaos, bloodshed, disorder, and strikes, those who expect us to renounce the 32 years of movin' on, we simply tell them very calmly: We are movin' on much further! [crowd cheers and applauds] We will never make changes to make Mr. Bush like us. The changes we will make will be to improve and develop the life of our own people. We will not make changes to return to capitalism. We will make changes to move our socialism forward.

The rulers without the support of the people in the world today tremble when a crowd like this one gathers in a square such as this one. They are justified in trembling and in being concerned because they are never among the crowd. This is a crowd that would make any ruler who is rather shaky and without the support of the people lose sleep. Here, this crowd reaffirms that our leaders can sleep peacefully today, confident in the certainty of the future of our single party. Here is Fidel, as always, among us [crowd cheers, applauds, and chants: Fidel, Fidel!] like at the torchlight march. Here is Fidel among us, protected and followed by his people and the young. [cheers] He is sure, as always, of his people and the young [cheers] and is more confident than ever of his people and the young. [cheers]

What scares many people elsewhere is a reason for calm for all of us who are here. Those who live divorced from their peoples are the ones who need to be worried. Fortunately for us, our party continues to be married legally and by the church and in perfect harmony with our people and our youths. [crowd cheers, applauds, and chants: Fidel, Fidel!]. There will never be a divorce, there will never be a separation, and we will never throw dishes at each other. Of course, there are turncoats. There always were, there are, and there will be. Camilo [Cienfuegos] warned us once: For every traitor who may appear, as always, there will be an entire people willing to defend the revolution if it is necessary. [crowd applauds and chants: We are ready for anything, Fidel!] As usual—and this does not scare us anymore—there is always some lowlife who is capable of selling out his fatherland for a plate of lentils. Let the traitors eat their plates of lentils, because we already have the fruits of the food program. [applause] Cuban young people do not sell out our fatherland for lentils or sequins [a play on words: ni por lentejas ni por lentejuelas] as our enemies want.

The historic generation has given a lot to the present Cuban young generation. To say it in the words of the great Chilean poet: This party has given us fraternity toward those we do not know, it has given us the strength of all of those who are alive, it has given us the fatherland as a start, it has given us the freedom that the solitary man does not have, it has lighted kindness like a fire, it has given us the uprightness that a tree needs, it has taught us to see the unity and difference among men, it has shown us how the pain of a human being dies in the victory of all, it has taught us to sleep in our brothers' hard bed, it has made us build on reality as if it were on a rock, it has made us adversaries of the wicked and a barrier against the frenzied. It has made us see the brightness of the world and the possibility of happiness.

This party has made Cuban young people indestructible, because with it we do not end with ourselves, we prolong ourselves in its history. We give to this party today with happiness and love the best of each one of us. We need many arms and heads so that each one can do what he has to do.

In days such as these, we cannot leave empty spaces. The enemies of socialism will occupy the space we do not occupy. Nobody can have his own little chapel. We cannot divide the fatherland in plots and say: This is mine, and yours is over there. Everything that happens in this country concerns us all. Let us bring down the mental barriers where they still exist. Let us bring down the fences that limit the mind. Let us do what has to be done without asking if it is my job or not. To watch calmly as a crime is committed is like committing it yourself, and to watch calmly as a negligent act is done is also like committing it. It is true that in personal life, experience and youth never go together. One arrives when the other is lacking. But in the life of the peoples, the two walk hand in hand. Today we have here experience and youth as if they were one flesh. Those who have experience contribute their knowledge; those who have youth add their energy.

This is the work of all the people today. It would not be possible to advance if we were isolated or separated. In the construction of a country, as in the construction of a building, engineers and architects, bricklayers and carpenters, electricians and plumbers are needed. Nobody can build a nation alone, but it is unquestionable that wills can be joined together so that the fatherland can grow steadily, so that the fatherland can advance on all fronts, so that all of us can say: I am the revolution, I am the fatherland, and I am socialism. [applause]

Fidel, you wrote a few days ago during the inauguration of the Central Computer Center: I am envious. Certainly it was not a sad or nostalgic expression. One does not envy sadness; one envies happiness. The healthy envy of revolutionaries makes us all happy. For us, this envy is like a party because it tells us that we do not have to feel envy for the historic time that we were not part of, for those who like you lived and experienced it and almost

died in front of a garrison, or were about to sink at sea on board a frail vessel, or were in danger of falling riddled with bullets.

When a man like you who has worked intensely is envious, it means that your own work has transcended you, that the fruit of your work has surpassed your own expectations, that you did not even imagine what your generation of heroes and martyrs has been capable of creating. [applause]

Therefore, we have many reasons for being optimistic because we are not satisfied. To be unsatisfied is the same as being optimistic. Someone who settles for what he has is a pessimist. We have more than enough reasons to be confident and never will doubt, fatigue, or discouragement enter our heads. We know that the road is not easy and that there will be no miracles.

On an evening like this, we want to say very clearly that we respect, love, and admire Fidel because he assaults the Moncada [Barracks] every day. [applause] We respect, love, and admire Raul [Castro] because every morning he founds a Frank Pais Second Front. [applause] We respect, love, and admire our party because it is composed of men from the people who are doing everything possible to solve the people's problems. [applause] We are going to respect, comrades, those who respect themselves. We are going to follow those who are true examples of dedication. We are following those who advance and together with those who advance. As we respect those who are part of yesterday's history, we respect even more those who continue making history today. [applause]

We respect those who made history and those who today, from the most humble work position or even [words indistinct] still do. We respect those who fought and still have the strength to fight, those who fought and still fight. We give honor where honor is due. Above all, honor to those who uphold honor. [applause]

Those, comrades, are the examples to which the young Cuban generation takes off its hat. This is what we want to say when during the sixth congress we chant our slogan saying: Join in. Joining in is part of the deepest convictions of the young generation of Cubans today.

If we talk about joining in, to whom are we saying join in? To the great projects of the contingents and the food program we say: Join in! [crowd joins in by saying: Join in!] To the women, farmers, workers, and students we say: Join in! [crowd joins in by saying: Join In!] To our writers and artists, who do not surrender or sell themselves, we say: [crowd responds: Join in!] To the scientists of today who are looking for the solutions to our problems we say: [crowd responds: Join in!] To the revolution, the fatherland, socialism, and Fidel, we say: [crowd responds: Join in!]

Now if we talk about going away [restar], what do we say to bureaucracy, negligence, and parasitism? Go away. [crowd joins in saying: Go away!] To laziness, accomodationism, weakness, and free rides we say: [crowd responds: Go away!] To the street peddlers, the vagrants, and criminals we say: [crowd responds: Go away!] To the former socialist camp which has collapsed and is in a pitiful situation, we say: [crowd responds: Go away!]

If we talk about going away, to who do we say go away? To those who want to (?overpower) us and betray us we say: Go away. [crowd joins in by saying: Go away!] To those who support a multiparty system and market economy, we say: [crowd responds: Go away!] To those who do not love the fatherland and run to seek refuge in the arms of the enemy, we say: [crowd responds: Go away!] To Bush, the Yankees, expatriates, and counterrevolutionaries we say: [crowd responds: Go away!]

The problem is that we have also learned how to multiply. If we talk about multiplying, to whom do we say multiply? For each comrade fallen during these difficult years of fighting we say: [crowd responds: Multiply!] For the timely conclusion of the projects for our Pan-American Games with the new triumphs of our revolutionary athletes, we say: [crowd responds: Multiply!] For each day that is extended in order to boost the food program we say: [crowd responds: Multiply!] For the revolutionary dedication to the work of all we say: [crowd responds: Multiply!]

This is how, dear friends, the accounts are tallied for the young generation of today. This is the check and balance the Cuban youths do. Do not look for anything else, you cheap analysts and strategists. You will always find us with the revolution and in the revolution, multiplying and joining. This could turn into a new saying of the Cuban youths, join in and you will win, because the strength lies in multiplying. [applause]

Dear comrades, we are not only making a call for a congress today, but we are calling on young people for the fatherland, for life, and for dreams. We are making a call for much more than a meeting. We are making a call for the struggle in difficult times. We are making a call to defend the revolution even with your teeth and nails if it were necessary.

Later on, and in light of the decisions taken during our party's fourth congress and in close consultation with the young people in the country, we will draw up agendas and topics for the preparation and development of our sixth congress. On an evening such as this one, our four A's stand for our four loves [amores]: love for the fatherland, love for the revolution, love for socialism, and love for the party. These four loves constitute one single love: love to the one who created the fatherland, who conceived Cuban socialism, who headed the revolution, and who founded our party. [applause]

It is worth living, comrades, for so many beautiful things. We are not going to surrender our lives; they will have to be snatched from us. We need many lives to take this country forward. Let us be called foolish as the poet was called because we will know how to take on the

enemy, because we will know how to live without having prices. Be cause no one is going to die, certainly not now, because this people will live, this youth will live, and this party will live! [applause]

Comrades, we are again living through luminous and sad days, days in which the nation's fate is united with the poor of the earth, days in which great dangers are approaching and are already hanging over us. Now more than ever we must be firm. We must be calm. We must be sincere. All of us gathered here tonight, called together by us, have been members of the Jose Marti Pioneers Organization. Since we were children, we have learned to say with our hands on our hearts: We will be like Che [Guevara]. Today Pioneers and Cuban young people can raise our solemn fists and enrich our oath. Young Cubans for communism, we will be like Che! [words indistinct] Always towards victory! [applause]

Havana TV Notes Soviet Miners' Demands

FL0404162091 Havana Tele Rebelde Network in Spanish 1200 GMT 4 Apr 91

[Text] Soviet President Mikhail Gorbachev has rejected the political demands of the miners' unions that have asked for his dismissal and made a call to the various political factions to avoid trying to exert pressure on this subject. During his participation in a meeting of groups [words indistinct] of the Soviet Union, involved in a number of strikes since last month, Gorbachev pointed out that he was elected to occupy the position of president in accordance with the laws and the Constitution of the USSR.

The top leader of the USSR also expressed his satisfaction with the agreement reached between the miners and the government to satisfy the miners' economic demands. Higher salaries and plans for a retirement program for all miners were decided in the meeting.

Comparison of Castro Speech at UJC Rally

PA0804000091

Havana International Service in Spanish at 1400 GMT on 4 April carries a recording of the speech given by Cuban President Fidel Castro during a Union of Young Communists (UJC) rally held at Havana's Revolution Square on 3 April. This version has been compared with the Havana Radio and Televison Networks version published in the 5 April LATIN AMERICA Daily Report, pages 2-5, allowing for the following clarifications:

Page 3, column one, second complete paragraph, sentence two reads: We exhorted them to think that they are the revolution, they are the nation, they are the nation's honor and dignity, they are the nation's soldiers. (supplying indistinct word)

Same page, same column, third complete paragraph, last sentence, to fourth complete paragraph, first sentence reads: It wanted to show that it was boss, and it acted as the world's boss. [new paragraph]

Just today the UN Security Council approved one more resolution, a monstrous and leonine resolution that violates the agreements of the Security Council itself, that violates the very principles of the United Nations, because in fact, the UN Security Council has become a tool of imperialist policy. (supplying indistinct words)

Same page, column two, fifth complete paragraph, first sentence reads: These concepts are necessary as part of the people's political and ideological preparation, since we have said fatherland or death, and we have to be consistent with this idea, which was not born with us. (supplying indistinct word, rewording)

Same page, same column, same paragraph, sentence four reads: I recalled on 13 March that this was our spirit when we were left all alone, absolutely alone, a few of us, with our guns. (supplying indistinct word, rewording)

Comparison of Castro Visit to Cold Storage Plant

PA0704050491

Havana Cubavision Television Service in Spanish at 0130 GMT on 3 April broadcasts a recording of the speech delivered by Cuban President Fidel Castro at the opening ceremony of a cold storage plant in Alquizar, Havana Province. The Havana Cubavision Television version has been compared to the Havana Radio and Television Networks version published in the 5 April Latin America DAILY REPORT, pages 7-13, allowing for the following clarifications:

Page 11, column one, first partial paragraph, first complete sentence reads: A cucumber plot produces more, as well as sweet potatoes and yucca. (supplying indistinct words)

Same page, column two, first partial paragraph, sentence six reads: The changes that are taking place in nature are a result of the excessive amounts of fossil fuels and carbon dioxide in the atmosphere which produce a heating effect. (rewording)

Bermuda

Britain's Death Penalty Request Sparks Debate

FL0504215991 Bridgetown CANA in English 1911 GMT 5 Apr 91

[By Ivan Clifford]

[Text] Hamilton, Bermuda, April 5, CANA—The Bermuda Cabinet will consider request by the British Government to abolish the death penalty for premeditated murder, Premier Sir John Swan said on Friday. But he declined to say what position the Bermuda Government would take on the announcement last week by British

Foreign Secretary Douglas Hurd that he hoped Bermuda, a self-governing British colony, would abolish the death sentence and replace it with life imprisonment.

In an announcement in the House of Commons, Hurd said Britain would abolish the death penalty for murder in Anguilla, the British Virgin Islands, the Cayman Islands, Montserrat, and the Turks and Caicos Islands, and replace it with life imprisonment. "The British Government hopes the Government of Bermuda will follow this example as soon as possible," Hurd said, responding to a question by fellow member of Parliament Spencer Batiste who asked what steps Britain was taking to abolish capital punishment in the Caribbean and Bermuda.

Hurd's announcement could reopen the debate on capital punishment in Bermuda for the first time since a referendum last September saw only 34 percent of potential voters taking a stand, 80 percent of them in favour of retaining the death penalty. Nobody has been hanged in Bermuda since 1977.

Sir John refused to comment on Hurd's statement before discussing it with his colleagues. Opposition leader Frederick Wade said he would be tabling questions in the House of Assembly when it resumes next month, on whether the Bermuda Government had been consulted on the announcement. Sir John said he had received an "indication" a few days before the announcement that Hurd would be making the statement.

The last hangings in Bermuda sparked week-long riots in December 1977 after Erskine (Buck) Burrows and Larry Tacklyn went to the gallows. Burrows was convicted of a string of murders in 1972 and 1973, including Governor Sir Richard Sharples, while Tacklyn was convicted of two supermarket killings. The last two people convicted of premeditated murder in Bermuda, Troy Shorter and Leroy Dunlop, had their sentences commuted to life imprisonment. One man still facing the death sentence is Milton Shane Watson, convicted two weeks ago of the premeditated murder of 68-year-old Wilbur Doe. Watson's lawyer said he was appealing against the conviction and sentence.

Hurd's statement could also reopen a debate in Bermuda on independence. The so-called Committee for the Independence of Bermuda said in an interview Friday that Hurd's statement may have set an unwanted precedent of political interference. Committee President Walton Brown said both an explanation and a response were necessary.

"We don't want to get into a political situation so severe we can't handle it," he said. "We shouldn't wait until the situation determines our actions.

"The British Government hasn't interfered in Bermudian policy for the past four years. Our government has a responsibility to the public to respond to the statement and not downplay its significance.

"Of fundamental importance here is the extent to which Britain has seen fit to interfere in what hitherto has been the exclusive domain of the Bermuda Government," said Brown.

He offered two possible explanations for Britain' actions: greater intervention so as to better control colony activity, or Britain's desire to provoke discussion on Bermudian nationhood.

British Virgin Islands

Britain Challenged on Death Penalty Decision

FL0504222391 Bridgetown CANA in English 1934 GMT 5 Apr 91

[Text] Road Town, Tortola, April 5, CANA—British Virgin Islands [BVI] chief minister, H. Lavity Stoutt, is challenging a decision by the British Government to abolish the death penalty for murder in its Caribbean colonies.

"I have written the secretary of state, protesting the decision in the strongest possible terms and requesting that the matter be reviewed," Stoutt said in a statement made available to the CARIBBEAN NEWS AGENCY.

In an announcement in the House of Commons last week, British foreign secretary, Douglas Hurd, said Britain would abolish the death penalty for murder in Anguilla, the British Virgin Islands, the Cayman Islands, Montserrat, and the Turks and Caicos Islands, and replace it with life imprisonment.

"This announcement came without any previous warning or consultation with this government, despite the fact that I had written to the secretary of state on the matter," Stoutt complained. He said he learned of the decision from a BBC news report last week after having asked Governor Mark Herdman last December to despatch a letter to the secretary of state that said the people of the BVI hoped such an order would not be extended here and to the other dependent territories. Stoutt argued in the letter that "the death penalty has served as one of the most effective deterrents to violent crime in our small countries."

"...It is our view that any such proposed order should be the subject of prior consideration by the BVI Executive Council, and public referendum..," he stated in the letter.

"I and other ministers of government met with his Excellency the Governor on Wednesday, April 3, and requested that he inform the secretary of state for Foreign and Commonwealth Affairs of this government and people's strong opposition to this decision..," Stoutt said in the statement made available to CANA.

Haiti

Pascal-Trouillot Placed Under House Arrest

PA0504195491 Paris AFP in Spanish 1925 GMT 5 Apr 91

[Text] Port-au-Prince, 5 Apr (AFP)—Judicial authorities announced today in Port-au-Prince the release of former Provisional President Ertha Pascal-Trouillot, after being under arrest for 24 hours, charged with "complicity" in the foiled 7 January coup d'etat led by former Tonton Macoute leader Roger Lafontant.

Nevertheless, a government official announced that "taking into consideration the grave nature of the charges against her," the former president "will be placed under house arrest."

Justice Minister Press Release

FL0604015891 Port-au-Prince Radio Metropole in French 1700 GMT 5 Apr 91

[Text] The minister of justice decided to put Mrs. Trouillot under house arrest. In a press release just issued, the minister of justice advises that because of proceedings in the investigation to find new elements in the evidence denied by Mrs. Ertha Pascal Trouillot, the public prosecutor decided to end her police custody. Taking into account the seriousness of the charges against her, however, the public prosecutor considered it necessary to place her under house arrest to ensure her testimony in the proceedings when she is needed.

Ministers Meet With Foreign Aid Groups Abroad

FL0604004691 Port-au-Prince Radio Metropole in French 1700 GMT 4 Apr 91

[Excerpt] Government ministers are now traveling abroad to meet with international sponsors. Minister of Finance Mrs. Marie-Michelle Rey, Minister of Planning Renaud Bernardin, and Minister of Commerce Smarck Michel met in Washington yesterday with representatives of the IMF, USAID, the World Bank, and the State Department. The questions raised in those meetings were not revealed by government sources.

The ministers of finance and of planning are now in Japan taking part in a meeting organized by the International Development Bank [IDB]. During their stay in Japan, the ministers will meet with their counterparts in the Japanese Government, as well as with Japanese businessmen.

Minister of Commerce Smarck Michel conversed with representatives of Black Crocus, the Haitian community in Washington, and several African ambassadors. Minister of Social Affairs Ernst Verdieux flew to Miami yesterday to seek a market for Haitian products. He is expected back in Port-au-Prince today, to participate in the meeting at 1000 tomorrow at the Christopher Hotel on the increase in the minimum wage. Attending in order to form a consensus on the wage issue will be employers, labor unions, and government ministers. [passage omitted]

Trinidad and Tobago

Government Talks Fail To Settle Steel Strike

FL0504162091 Bridgetown CANA in English 1428 GMT 5 Apr 91

[Text] Port of Spain, Trinidad, April 5, CANA—Talks the Trinidad and Tobago Government had with an iron and steel company and a trade union this week have failed to settle a strike, a government spokesman reported.

"We have asked the union and management to re-think our proposals since both sides refused to back down in their positions after two days' talking," acting permanent secretary in the Ministry of Labour, Rudolph Wickham, told the CARIBBEAN NEWS AGENCY (CANA).

More than 500 steel workers of Caribbean Ispat Limited have gone on strike protesting the two-day suspension of a colleague, unionist Keith Gibson. Ispat said the strike that started more than a week ago was "illegal" since the Steelworkers Union of Trinidad and Tobago (SWUTT) did not exhaust all the provisions in the Industrial Relations Act. The company gave workers until last Tuesday to return to work or face dismissal.

Ispat's managing director, Ram Misra, told CANA the company, which has been closed since the strike started, was being "crippled" by the stoppage. The company has reported a loss of 30 million dollars (one TT [Trinidad and Tobago] dollar equals 23.5 U.S. cents) with an average loss of 2.5 million dollars daily.

The lone power station, the Trinidad and Tobago Electricity Company (TTEC), has lost 1.5 million dollars in earnings while the Natural Gas Company [NGC] which supplies Ispat has also lost some revenue. NGC receives 6.6 million dollars monthly from the steel company.

Misra said the company has not changed its decision about the suspension of the worker or not paying workers for the time they were off the job. "We have not contacted the ministry because we have not changed our position," the India-born managing director said. The ministry has taken up investigation of the alleged misconduct of Gibson.

Ispat, which has a ten-year lease for the Iron and Steel Company of Trinidad and Tobago (ISCOTT), supplies 30,000 tonnes of "Direct Reduced Iron" (DRI) and 35,000 metres of wire rod coils monthly to the United

States, Canada, Mexico, Europe, South America, the Far East, and the Caribbean. Its monthly domestic supply is 6,000 tonnes of DRI and 4,000 tonnes of wire rod coils.

Misra said revenue from export and domestic sales average 75 million dollars monthly. The strike has affected shipments. Misra who came here two years ago said the attitude of the steel workers was a deterrent to foreign investment.

SWUTT's Vice president elias Williams said the company brought the problem on itself, claiming the managers from India and Indonesia were usually abusive to the workers. He said the union was not "budging" on its demands of a withdrawal of suspension and full pay to all workers during their strike. Workers, he said, have sent a petition to Prime Minister A.N.R. Robinson, calling for an expulsion of the company.

President Departs for Visit to Canada, U.S.

PA0804042991 Mexico City XEW Television Network in Spanish 1630 GMT 7 Apr 91

[Report by Rocio Gonzalez Trapaga]

[Text] Mexican President Carlos Salinas de Gortari began a working tour of the United States and Canada a little over two hours ago. At 0800 today, the president departed from the presidential hangar with a 21-gun salute, in keeping with his high post. The president is accompanied on this trip by Foreign Relations Secretary Fernando Solana, Commerce Secretary Jaime Serra Puche, and Otto Granados, Netzahualcoyotl de la Vega, and Guadalupe Gomez Maganda, among others.

On 7 April, President Salinas will hold a working meeting with U.S. President George Bush at Ellington Air Force Base in Houston. Later in the day he will travel to Ottawa, Canada, where he will be welcomed by Canadian Prime Minister Brian Mulroney. On 8 April the Mexican president will deliver a speech at the Canadian Parliament, hold private talks with Mulroney, and both men will head a working meeting of the Mexican and Canadian delegations. On 9 April President Salinas will travel to Montreal, where he will meet with local businessmen and attend a reception sponsored by Quebec business organizations. On the afternoon of 9 April President Salinas will travel to Toronto, where he will be the guest of honor at a dinner sponsored by the Business Council on National Issues [preceding five words in English], a Canadian business organization.

Later on 9 April the Mexican president will depart for Boston, where, on 10 April, he will close a meeting of Mexican, Canadian, and American businessmen. He will also be the guest speaker at the annual meeting of the American Society of Newspaper Editors [preceding five words in English], which will be held at Harvard University. I might mention that this organization includes over 1,000 Americans and Canadians who have editorial decision-making powers at their newspapers. In Boston, the Mexican president will participate in a roundtable on Mexico and the United States at Harvard University.

On the evening of 10 April he will travel to Chicago, where he will be the guest of honor at the dinner held at the annual meeting of the Mexican-American Legal Defense Fund [preceding five words in English], an organization that promotes human rights.

On 11 April, President Salinas de Gortari will have breakfast with leaders of the U.S. Hispanic Chamber of Commerce, with whom he will exchange points of view concerning the free trade agreement. He will visit the Mexican district in Chicago where he will receive the keys to the city, inaugurate a Mexican studies program at the University of Chicago, and attend a dinner at the university within the framework of the "Mexico on the Threshold of a Commercial Revolution" conference.

On the day before his departure, President Salinas will be in Austin, Texas where he will deliver a speech at the state legislature. Later, in San Antonio, he will visit the "Mexico, 30 Centuries of Splendor" exhibit at the city's art museum, speak with the mayors of several Texan cities, hold a working meeting with Mexican-American leaders, and speak at a luncheon hosted by the Texas Chambers of Commerce and the World Affairs Council [preceding three words in English]. On 13 April the president will return to Mexico City.

El Salvador

FMLN, Government Continue Meetings in Mexico

PA0504211191

[Editorial Report] San Salvador Canal Doce Television in Spanish at 0300 GMT on 5 April carries a seven-minute report on the 10th meeting initiated on 4 April in Mexico City between the Salvadoran Government and the FMLN (Farabundo Marti National Liberation Front), with the participation of UN Secretary General Perez de Cuellar's representative. According to the report, rebel sources in Mexico confirmed the participation at the negotiating table of "two high-ranking government military officers"—whose names they refused to disclose—and "four FMLN commanders": Salvador Guerra, Jorge Melendez, Raul Hercules, and Ramiro Vazquez.

The report outlines the FMLN agenda: "The first phase of negotiations should conclude by 30 May, after reaching an agreement on the Armed Forces issue, constitutional reform, and, above all, a definite cease-fire by that date." The report quotes Vice President Jose Francisco Merino Lopez saying today: "The government cannot recognize territories under FMLN control, because these do not exist," adding that "the Constitution is not a hindrance in attaining peace, as the rebels, who insist on reforming the Constitution, claim." He is further quoted as saying: "The FMLN forces are confused and demoralized," while "internationally they are being isolated." The report concludes by noting that the FMLN commanders and the government representatives both stated that the meeting in Mexico will be "decisive."

San Salvador Radio Cadena YSKL in Spanish at 1200 GMT 5 April carries a 10- minute report on statements by sources linked to the Armed Forces joint high command rejecting the FMLN demand to control certain territories. The military spokesmen said that this condition will only serve to bog down the negotiations in Mexico. The report adds, however, that the UN negotiating committee in Mexico has highlighted the "the Salvadoran Government's and the rebels' willingness to negotiate in this process."

According to the report, FMLN Commander Shafik Handal said that the government is creating a negative atmosphere by claiming that the rebels have decreased power. It is also noted that "Minister Oscar Santamaria heads the government delegation comprised of 15 persons." Also stated is that the negotiations initiated a year ago in Geneva have taken place in Costa Rica, Venezuela, and Mexico. The FMLN acknowledged, in a communique, that the talks have made considerable progress and underscored the United Nations' direct and firm participation. The report also states that according to information received from Mexico, the rebels' demand to exercise total control over certain territories is now affecting the negotiations. To conclude, the report states that the Catholic Church has said that "peace is near." Auxiliary Bishop Rosa y Chavez is quoted as saying that once the cease-fire is reached, then Salvadorans will be faced with the reconciliation process, which will be a very difficult task.

Guatemala

Finance Minister Resigns; Health Reasons Cited

PA0504183191 Panama City ACAN in Spanish 1737 GMT 5 Apr 91

[Text] Guatemala City, 5 Apr (ACAN-EFE)—Guatemalan Finance Minister Raquel Zelaya resigned today due to "health reasons," official spokesman Gonzalo Asturias has reported. Asturias told ACAN-EFE that Zelaya had given President Jorge Elias Serrano a letter in which she explained her failing health.

Asturias noted that Zelaya "was a very hard worker who made it possible for the government to meet urgent payment commitments" that it assumed on 14 January.

The official spokesman said that President Serrano has not yet decided who he will appoint to head that ministry.

Honduras

Minister on Border Attack, Iraqi Business Ties

PA0504210491 San Pedro Sula LA PRENSA in Spanish 3 Apr 91 p 3

[Text] Tegucigalpa—Foreign Minister Mario Carias Zapata has said that the Farabundo Marti National Liberation Front [FMLN] attack on the El Poy Customhouse at dawn on 2 April occurred despite the fact that the guerrillas had been warned that they would not be allowed to carry out actions on Honduran territory.

"I personally conveyed that message to FMLN representatives during a recent meeting in Nicaragua and they assured me that they understood the warning," the minister said.

Stating that he hopes that this is just another development of the war that El Salvador has suffered for many years, Carias recalled that the administration of President Callejas will adhere to its policy of nonintervention in the affairs of other states.

As for the shipping companies with alleged ties with Iraq, the foreign minister said that in the latter months of 1990, the U.S. Embassy issued several notes voicing its suspicion that several Iraqi companies were seeking to register their ships with various countries to circumvent the embargo decreed by the United Nations.

Carias added that information was immediately requested from several consulates and the Merchant Marine, which grants provisional and permanent certificates of registration for ships.

There was the case of three ships belonging to companies headquartered in London and Saudi Arabia, all of which

are under the names of Jordanian businessmen. It was impossible, though, for the Honduran authorities to determine whether Iraqi investment was backing them.

Carias recalled the existence of the Ship Registration Law, known also as the "open registry" law, which in many cases prevents national authorities from effectively determining the ship owners' identity.

Suspicious registrations were annulled in October, however, and the U.S. Embassy was informed. Carias added that he does not know whether this was also conveyed to the United Nations at the proper time.

The foreign minister added that he does not know the identity of the Hondurans involved in this, but pointed out that the investigations will determine what should be done. He said, however, this is not a responsibility of the Foreign Ministry, but of the Merchant Marine.

Nicaragua

FSLN Outlines Program in Congress Document

PA0704202191 Managua BARRICADA in Spanish 3 Apr 91 pp 1, 5

[Text] According to a document outlining the FSLN's [Sandinist National Liberation Front] program and principles, which the first congress has circulated on the occasion of the first debate, where more than 50,000 Sandinists will participate, the FSLN has discounted armed action as a means of recovering power in Nicaragua and holds that "the elections are to be the instrument to accede to the government."

The outline also proposes that "the Nicaraguan people and its representative organizations should be the source of power in the nation" and that "the actions of the opposition are a measure of power."

The 32-page document has a general section, which describes the Sandinist principles and objectives, and a second part that has eight chapters dealing with democracy, the economy, the armed forces, international relations, society, self-government, natural resources, and politics.

According to the document, the people's participation in the various state powers, which has occurred since 19 July 1979, "must be defended, improved, and expanded in such a way that the national decisions can be more a result of the people's democratic willingness than mere acts of the government."

The document says that, in the current world situation, "the ways for independent development are at a dead end," and because of the apparently unavoidable integration of Latin America and the United States into a single market, this integration must result in "a net flow of financial aid and capital from the North to the South" and a mutually beneficial relationship that will not "obliterate the Latin American peoples' sovereignty and independence."

Regarding specific policies, the program draft says that it is necessary to respect property rights, implement a special program to create more jobs, attach priority status to the production of basic grains, expand the Agrarian Reform coverage, and recognize in the implemented privatization policies the workers' preferential right to be proprietors.

Other specific points include subordinating foreign investments to the nation's interests and ensuring that private financial institutions operate in adherence to the Constitution and without detriment to the national financing system, which is the main support for the agricultural, livestock, industrial, and commercial sectors.

The FSLN ascribes a special role to the state, which should be "the national development's main sponsor." Without acting as a monopoly, the state should "regulate economic activities for the good of the majority."

The description of the Sandinist principles mentions the defense of the national sovereignty and the struggle against any imperialist intervention which might harm this sovereignty. In addition, the FSLN defends the interests of the majority of the people, the economic, political, and social improvements attained, the progress toward a society free from exploitation and oppression, political pluralism, a mixed economy, and nonalignment.

The document says that since April 1990, "a government that opposes the FSLN" has existed; it is a government whose social and political foundations "use public power to dismantle the social and democratic improvements achieved."

According to the document, the unpopular measures and rightist actions must be checked "through the struggle of the masses." As part of the civic struggle, however, the FSLN "is prepared to "sponsor concerted effort policies and an alliance," thus isolating "the most recalcitrant sectors."

The program draft says that the FSLN will help build a more friendly relationship with the United States and that the current government should preserve the national dignity regarding the decision's of the International Court of Justice.

The document asserts that the immediate problem to be resolved is the economic crisis, which cannot be solved by a government "that meets the interests of the wealthy," but by one "that represents the national interests of the majority."

The draft points out that the state should guarantee that "the development model to be followed in the country will not lead to a great accumulation of capital and power in the few centers of decision-making."

The only thing that leads to steady development, the document says, "is the formation of internal capital," for which the export sector should be given priority status with the participation of small- and medium-scale agrarian properties "as the spearhead for growth."

The document supports the professionalization of the Armed Forces in order "to strengthen the patriotic and revolutionary characteristics" of their members and says that a reduction in the Armed Forces should preserve a reasonable balance of forces in Central America.

Moving to international issues, the FSLN will struggle to preserve the political independence obtained on 19 July 1979 and try to establish respectful, friendly, and cooperative relations with all countries of the world.

The FSLN intends to continue to participate in movements and international political forums, such as the Permanent Conference of Latin American Political Parties and Socialist International, and to advocate change in the United Nations by eliminating the veto right at the UN Security Council. Also, the FSLN will express solidarity with struggling peoples.

The FSLN supports youths, children, urban and rural workers, independent workers (craftsmen, businessmen, small-scale industrialists, and others), peasants, and professionals.

The program draft says the FSLN will strive to achieve internal unity and to reinforce the unions, "taking care not to change them, but rather to look after their independent development."

The FSLN devotes special attention to the autonomy of the Atlantic coast communities and the local inhabitants' right to exploit the natural resources of their respective regions and to make their own decisions in accordance with the law on autonomy.

Regarding this, the government must guarantee freedom of trade and protect the poorest people from speculation. The state should also guarantee the public property of entrepreneurs in fields where "private interests might represent a danger to the application of economic democracy, national interests, or the safety of citizens."

In view of the existing situation, the FSLN advocates dialogue and political solutions and supports national reconciliation "as one of the essential foundations for peace, economic recovery, and the country's stability."

The FSLN condemns revenge and reprisals, as well as "every form of terrorism and political violence" and opposes "the restoration of Somozism, oligarchic governments of the past, or other forms of dictatorship and any civil or military authoritarianism that curtails the exercise of participation democracy."

The FSLN sponsors the democratic improvement, this is to say, "the state's limitations in relation to the civil society and personal rights, the separation of the state powers, periodic, clean and honest elections, and respect for law and legality as the standard for the relations between individuals, and between them, the society, and the state...."

In addition, the FSLN sponsors "respect and development of personal and human rights and liberties as well as the institutions, organizations, and agencies through which workers and all the people can express their views."

Regarding the Armed Forces, the document says that "to make sure that the state has, at all times, institutions to guarantee sovereignty and the people's protection is essential for the Nicaraguan revolutionary process."

Soviets Say No More Arms, Spare Parts to Region

PA0604223891 Managua LA PRENSA in Spanish 4 Apr 91 p 12

[Text] Aleksandr Mokanu, deputy chairman of the Council of the Union of the USSR Supreme Soviet, said Wednesday to LA PRENSA that his country will send no more arms or spare parts to Central America.

Mokanu asked to be excused from commenting on the announcement about a visit by U.S. Armed Forces Commander General Colin Powell that day.

Mokanu, who visited Managua for three days, said that the Soviet Union "is maintaining its decision not to send more arms to Nicaragua," despite the Nicaraguan Government's call for aid for the Sandinist People's Army.

Mokanu said: "We are firmly upholding this position." He recalled that the Soviet Union "has asked other countries, including the United States, to abstain from shipping arms to the Central American region."

"This includes spare parts for arms," he noted.

Mokanu and Soviet Deputies Valentin Bakulin and Ivan Dorojov are also scheduled to visit Costa Rica and Guatemala, in line with expanding the Soviet Union's market in the Central American area.

Mokanu stated: "We find President Chamorro's wish to declare this country a zone of peace very positive."

Asked about whether socialism has failed in the Soviet Union, Mokanu said that his country has stepped out of a centralized economy and has moved into a free price system that "we do not know yet what to call it, but it is not socialism."

Mokanu noted that what is happening does not mean that socialism has failed as such or that perestroyka is a road to capitalism, but that his country is searching for a system that will resolve urgent problems resulting from many years of life in a closed society.

About his contacts with the Sandinist Front, the opposition, Mokanu said he regretted that he was only able to see Sergio Ramirez, leader of the Sandinist bench in the Legislative Assembly, for only 10 or 15 minutes. He added: "Since I had no other contact with any other Sandinists before leaving, I do not know how things are with the Sandinist Front."

Paraguay

President Laments 'Brawl' During ANR Meeting

PY0604150291 Asuncion ABC COLOR in Spanish 6 Apr 91 p 3

[Excerpt] On 5 April, President Andres Rodriguez lamented the big 'brawl' that took place on 3 April during a meeting of the Colorado Party executive board. He also expressed his regret that his preaching for unity and harmony has not been heard within the ANR [National Republican Association]. "I am very sorry for what happened between my fellow party members," he said.

As for Luis Maria Argana's [former foreign minister and acting ANR president] frequent criticism of his government, the chief of state said that he would have no problem in speaking with him to clarify matters. Regarding the upcoming municipal elections, he stated that the votes in the ballot boxes will decide who will be the new mayors. [passage omitted]

Foreign Periodicals Allowed Entry for Now

PY0504140991 Asuncion ABC COLOR in Spanish 5 Apr 91 p 11

[Text] Distributors have reported that foreign periodicals were allowed to enter the country on 4 April without any difficulty in clearing customs at Asuncion's airport. The distributors also expressed their concern over the impending application of import duties through Law No. 48 of 27 December 1989, a law the distributors have labeled unjustified. The incident has also involved the diplomatic sector: The Argentine ambassador has formally asked the government to allow the entry of periodicals.

"For the time being," customs authorities have made their position more flexible and have allowed Brazilian and Argentine periodicals to enter the country.

Despite the momentary lifting of the barriers, high-ranking Finance Ministry officials have announced that they will study the application of a duty that is not too expensive for distributors, taking into account the fact that the law is indeed in force and cannot be circumvented until it is repealed.

Proposed Reorganization of Colorado Board Rejected

PY0504134191 Asuncion ABC COLOR in Spanish 5 Apr 91 p 13

[Excerpt] The effort by internal sectors of the Colorado Party to achieve an agreement to overcome the conflicts that have been escalating recently has failed. A proposal to reorganize the executive board and establish a collegium was rejected by the Argana faction [named after the former foreign minister and current acting president of the Colorado Party], so the many meetings that have been held have turned out to be unsuccessful.

The idea of reaching an agreement between party factions through a reorganization of the executive board—as promoted by the Democratic Alliance faction—did not come to fruition on 4 April because the Argana faction rejected the proposal. Several meetings between the internal factions were held at the party headquarters, but the attempt to establish "peace within the party" failed. [passage omitted]

Panama

ADOC, Civic Crusade Meet 4 Apr; Set Agenda

PA0404203991 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Apr 91

[Passages in quotation marks are recorded]

[Text] A new step was taken today in the quest for true government cohesion when the ADOC [Civic Democratic Opposition Alliance] parties and the Civic Crusade met for the second time. The main topic at today's talks to prevent an ADOC breakup was the approval of the agenda to be discussed at the next meeting of the governing parties.

The government alliance representatives, with Civic Crusade mediation, agreed to approve the agenda and to put an immediate end to the constant political squabbling that has taken place recently.

[Civic Crusade's Alberto Conte] "Our mission is practically over. I feel deeply satisfied to announce that once again the governing Civic Alliance has flourished, strengthened, and become the force that once managed to strip the military's tyrannical grasp from our country."

Details of the agenda were not disclosed because the political representatives at the meeting chose to remain silent until ordered otherwise.

[Christian Democratic Party's Guillermo Cochez] "Right now, we do not want to issue any statements. Our interest right now is to find solutions to the big problems, and that is why we agreed we would not issue any statements at the end of the meeting. That is it."

Despite politicians having said that party squabbling has ended, the pressure continues and recommendations to President Endara to make cabinet changes remain. This time Francisco Artola, a fellow party member, said that a change of cabinet is imperative due to the fatigue of the officials.

[Artola] "All this is in the wake of the latest call for a cabinet change, but this call has been disregarded. There is a need for change and a need to resolve our country's problems."

The agenda continues to be a mystery, but matters such as party squabbling, political opportunities, true government coordination, and even a change in President Endara's cabinet could be topics for the next meeting.

Ruling Parties Hold Separate Top-Level Meetings

PA0504215991 Panama City Circuito RPC Radio in Spanish 2105 GMT 5 Apr 91

[Report by Julio Alfaro]

[Text] RPC Radio has learned that while a meeting is being held at the Arnulfist Party offices, the Christian Democratic Party [PDC] is also holding a meeting with its top-level officials in a place that has not been identified yet, but which is thought to be the house of Vice President Ricardo Arias Calderon.

In addition, the Molirena [Nationalist Liberal Republican Movement], also from the ruling coalition, is holding a top-level meeting to evaluate the tense situation surrounding the ruling alliance.

Meanwhile, there is a large number of Arnulfist Party supporters outside the party's offices waiting to show their support for President Guillermo Endara, who said he will come to the party's headquarters located on Cuba Avenue to receive the support of his fellow party members.

We are going to remain at the Arnulfist Party headquarters waiting for further developments and also waiting for the possible arrival of President Guillermo Endara.

Endara Vows 'Blow for Blow' Response to Charges

PA0504173091 Panama City LA PRENSA in Spanish 5 Apr 91 p 1A

[Report by Vilma E. Figueroa B.]

[Text] President Guillermo Endara has stated that he will respond "blow for blow" to attacks from the Christian Democrats because, as he said, he has put aside his usual calm and patient attitude.

This was Endara's reaction last night after two legislators of the Christian Democratic Party (PDC), Raul Ossa and Camilo Brenes, reported and criticized the purchase of weapons by members of the Arnulfista Party—Endara's party—in Chiriqui. This situation has further increased tensions within the ruling coalition.

Brenes ascertained that, in January 1990, there were political groups of the government itself that were purchasing weapons and ammunition in large quantities. He mentioned Presidency Deputy Minister Miguel Batista and people linked to Chiriqui Governor Edgar de Puy among those involved.

He charged that the Arnulfists have been purchasing weapons all this time and that there are reports that a large quantity of ammunition was purchased, which indicates that many people are being trained in the use of weapons.

He added that the situation is dangerous because it contradicts the basis of the alliance with regard to "depoliticizing" state security organizations.

Ossa noted that there is no justification for weapons purchases by the Presidency's Institutional Protection Service (SPI), because they are starting an "arms race."

He added that while some are demilitarizing the country, others, without any basis, are unleashing a unilateral arms buildup.

The legislator stressed that the SPI weapons purchase "is one of the surprises that keep popping up in this country. It is also a crime against the fatherland and an attack on the peacefulness of Panamanians and contrary to their desire for civilian rule."

With regard to this, Endara stated that Ossa and Brenes have been criticizing him "sharply for weapons he did not purchase and are trying to pass off as the purest and the cleanest those who have never touched a weapon."

"As long as I am attacked, I will strike back. If they do not want me to attack them, then let them refrain from attacking me," said the visibly irritated president.

Following his statements, the president ordered that a document be distributed among the journalists. The document was a weapons purchase order placed with the Espazio International Corporation. The paper on which the order was written bore the letterhead of the Panama City Mayor's Office and the Housing Ministry and was signed by Rene Gajardo and Fernando Aragon Brenes, respectively.

Endara categorically stated that the PDC is importing weapons and denied that the Presidency is doing the same.

He explained that, a few days ago, when he was asked about the weapons purchase "I did not have the slightest idea what it was all about and, assuming there was some truth to it, I gave an answer based on my assumptions."

Asked about SPI Director Carlos Bares' affirmation that weapons were bought for the Presidency, Endara immediately got the information from Bares, who whispered something to him. He then noted that the cabinet approved a small amount, not too large, to purchase weapons for the ministers' bodyguards, who had none.

Endara emphasized: "I will not let them attack me without striking back. Those weapons were not for the Presidency and the accusations by the two PDC legislators and other members of that party are not true."

According to the president, an effort is being made to lay traps for reporters so that they will report their news erroneously and Endara will wind up suing them for slander.

For his part, Bares disclosed that weapons are being purchased for the protection of President Endara and other government officials.

According to Bares, it is a small purchase involving "a few Israeli-made Uzi machine guns."

The SPI director justified the purchase noting that "it is a matter of protection, a practice of all police organizations."

Arnulfist Wants PDC Withdrawal From Coalition

Party Meets; Discusses Future

PA0504192191 Panama City Circuito RPC Television in Spanish 1736 GMT 5 Apr 91

[Text] While Ivan Romero, secretary general of the Christian Democratic Party [PDC], has stated that the president's attacks on the PDC respond to charges made by the Democratic Revolutionary Party [PRD], [Arnulfist Party member] Hector Penalba maintains that the PDC must withdraw from the ruling coalition.

[Begin Romero recording] The possibility that these groundless attacks are intended to displace PDC members from public posts for them to occupy—an Arnulfist goal—is becoming increasingly evident.

[Penalba] Our party is of the people. We are the people. We are not the elite. We are not seeking political opportunities when we say that our people are going hungry and needy and that our men and women in urban and rural sectors are unemployed.

Knowing the political strength that we have—a strength we have proven at the polls and during our party registration period—we are simply seeking to participate in work to benefit Panama.

[Romero] If the president feels that we are not serving the nation, that is his decision; let him face the consequences of a frustrated people. The people indicated what they wanted in the 7 May 1989 elections and ratified it on 27 January 1991. The president must know that it will no longer be three legislators criticizing him once in a while, but 28 of them.

[Penalba] Arnulfists do not need comrades who do not want to walk on our side, honestly and loyally. If that is the PDC position, let the Christian Democrats go. Let them leave because the people are honest and creative enough to maintain, perhaps not with the PDC technocracy, but with the goodwill that moves men when they see other men suffer. [sentence as heard] [end recording]

Support for Endara Reaffirmed

PA0504235291 Panama City Radio KW Continente in Spanish 2118 GMT 5 Apr 91

[Text] In an effort to let you know what is transpiring here at Peru Avenue, here are the statements of the Deputy Presidency Minister Miguel Batista, who said that there is unconditional support for President Endara by all factions of the Arnulfist Party, which is being organized:

[Begin recording] [Batista, in progress] ...at all costs, because he is the president elected by the Panamanian people.

[Unidentified reporter] [Words indistinct] the withdrawal of the Christian Democratic Party [PDC]?

[Batista] I personally insist that they either work along with us, as good allies, or they leave. However, they cannot be doing [words indistinct] within the government. [crowd shouts indistinct words]

[Reporter] That was Deputy Presidency Minister Batista. Meanwhile, Commerce Minister Juan B. Chevalier said:

[Chevalier, in progress] ...that the blood will reach the river, but my position has always definitely been to be on the side of President Endara.

[Reporter] But do you believe that the PDC will withdraw from the government?

[Chevalier] I do not know that. You should ask them.

[Reporter] Commerce Minister Chevalier also told the media that any communique issued by the Arnulfist Party leadership will be fully supported by him and other leaders of this party that is currently being organized. [three-second break in reception]

[Reporter] ...withdraw from the government?

[Legislator Fransisco Artola] I must say that the Arnulfist Party, based on a tour throughout the country, has concluded that the president of the Republic must reshuffle his cabinet, because we have realized—you and all Panamanians have—that the most urgent problems of the country have not been resolved. In Panama we can no longer think about local or foreign investments because there is no security on the streets and all this leads us to believe that a reshuffle of President Endara's cabinet is needed.

[Reporter] [Words indistinct] a communique?

[Artola] I believe this is not a matter of yielding. I believe that if we are in a government alliance they should allow the president to freely choose his cabinet as required by the country's Constitution.

[Reporter] [Words indistinct] Arnuflsts issued a communique [words indistinct]?

[Artola] We believe that when the fatherland is involved, the commitments acquired cannot be broken because the fatherland is involved, not a particular party. Our country is involved. We must look for the best men to rule and solve our problems.

[Reporter] In view of the PDC communique on a possible definitive withdrawal from the government, what is the coalition's future?

[Artola] The PDC, in its communiques, has repeated that they could move to the opposition. We would regret that very much, but that would be the solution if that were the way to allow Panama to bring back investments and establish a structure for a better future.

[Reporter] [Question indistinct]?

[Artola] We are not thinking about ruling the country by ourselves. We are part of an alliance and want to rule within an alliance. However, this does not mean that we must maintain the same men in the same positions.

[Reporter, interrupting] There is no loyalty?

[Artola] Loyalty depends on the individual. We have been loyal to our president and we will be loyal to the Panamanian people, which is most important.

[Reporter] [Words indistinct] the PDC?

[Artola] I believe that if we were to make an assessment of the ministries and directors of automous institution, we would find out that there are administrative deficiencies. We want public administration to be efficient to benefit our fa.herland.

[Reporter] [Words indistinct] rupture. Will a rupture be announced here today?

[Artola] I know nothing about a rupture. The president will come here to greet party leaders. We invited him to witness a show of support from the Arnulfist party, and especially from the leaders of the various sectors of the country.

[Reporter] Are you preparing for the worst?

[Artola] We are prepared to work for our fatherland.

[Reporter] Does this cabinet reshuffle imply that the vice presidents should step down from their ministerial posts?

[Artola] I believe that it is the purview of the president of the Republic to appoint his cabinet and make the changes that he deems advisable.

[Reporter] The PDC claims that they were elected by the voters; that they will stay in the government [words indistinct].

[Artola] As for the votes, we must point out that we Arnulfists also casted votes. We cannot define this issue because the dictatorship also dissolved our party. However, the massive registration that we held showed the country and our political leaders that Arnulfist votes were distributed among the other political parties.

[Reporter] What will the ceremony to be held here consist of?

[Artola] The ceremony this afternoon will be an act of atonement for the president for the constant attacks that he has suffered over the past few days. [end recording]

Those were the opinions of top leaders of the Arnulfist Party, which is currently being organized. We wish to report that this afternoon we have tried to obtain the PDC position, because we learned that they were meeting at party headquarters. We went there but no top official or leader was present.

As for the ministries under the leadership of the PDC, we were unable to contact a party leader or representative to brief us on the party's position on the situation between these two parties.

We also wish to point out that this morning Second Vice President Guillermo Ford, top leader of Molirena [Nationalist Liberal Republican Movement], via the media, urged the parties to avoid a rupture of the alliance. Ford added that he hopes this rupture will not occur.

When asked about President Endara's comment that there would be blow for blow reply to the PDC statements, however, Vice President Ford said blow for blows do not work, punches do.

'Arnulfist Government' Planned

PA0504235491 Panama City Radio Ancon in Spanish 2213 GMT 5 Apr 91

[Report by Carlos Anel Cordero from the Arnulfist Party headquarters in Panama City—live]

[Text] We are now at the Arnulfist Party [PA] headquarters, where a few minutes ago the president made a statement to the people who have gathered in front of this building.

President Endara said that his presence here and the contact with the Arnulfist followers was only to consult them on whether they believed that the government should continue to have many know-it-all and arrogant people, or if they should be replaced by simple and humble people who are grateful and loyal.

Obviously, the masses replied that they wanted change, in other words they requested a change in the cabinet, which is made up mostly of Christian Democratic Party [PDC] members. Let us hear what President Guillermo Endara said a few minutes ago.

[Begin Endara recording] At this time, as I am about to make a decision, I must feel [shouts, applause] I must feel and consult the opinion of my party, because the PA is the basis for the power of the president of the Republic. [applause, shouts]

Therefore, I ask you what type of government must be headed by an Arnulfist [crowd shouts: "Arnulfist!" "Of the people!"] Should it be a government dominated by know-it-all, arrogant people? [crowd shouts: "No! People, people! No more greens"—a reference to the PDC color] I ask you: Should this be a government of simple men of the street, men of the people, men who know what suffering is all about? [applause, crowd shouts: "Yes"] I mean grateful and loyal people. [applause, shouts]

I knew that you would say that, but I wanted the media to know what the PA wants. The PA is not a party that wants a piece of the political pie. We do not want any type of political positions. We want to serve the country.

[applause] We want to serve the nation. We are not asking for anything, we want to give! [applause, shouts] [end recording]

Endara said that in view of the decisions and opinions expressed by PA members, an Arnulfist government will be formed, in which nothing will be sought or requested from the people; on the contrary, the Arnulfists who will take part in the government, in the new cabinet that President Endara has announced that he will create, will give everything of themselves and ask for nothing in return. President Endara even said that there are people who are willing to work without pay.

This is all we have to report for now. Endara left the PA headquarters a few moments ago and refused to make any statement to the press. He did not specify whether the cabinet changes he announced a few moments ago would take place today or tomorrow.

Party Requests Cabinet Changes

PA0504231891 Panama City Telemetro Television in Spanish 2238 GMT 5 Apr 91

[Text] This is a last-minute report. A few minutes ago members of the Arnulfist Party [PA] concluded a meeting that was attended by Panamanian President Guillermo Endara Galimany. The PA members are requesting that the president of the Republic make certain changes in the cabinet posts that are currently held by several members of all the parties forming part of the ADOC [Civic Democratic Opposition Alliance].

The president told the PA members to allow him a few more hours to make a decision, that he will not make the cabinet changes at this time, but he is asking his party to allow him a few more hours—we do not know how many—to reach a final conclusion and then make a decision.

The president of the Republic also asked the media to be present so that it could see the reaction of his party requesting changes in his cabinet.

Christian Democrats Meet; Emphasize Unity

Will Not Respond to Endara

PA0504225091 Panama City Telemetro Television in Spanish 2212 GMT 5 Apr 91

[Text] Good afternoon, television viewers. Here is a last-minute report. During a political meeting, that began this morning and which ended a few minutes ago in the home of Monsignor Marcos Gregorio McGrath, Guillermo Cochez of the Christian Democratic Party [PDC] said that for the sake of the political unity of all the parties that form the current government, and for the welfare of the fatherland, the PDC will not make any comments regarding the statements made by his excellency the president last night. The PDC would rather remain silent for the sake of unity and the welfare of the fatherland. Guillermo Cochez said that they are not going to leave the political alliance now governing Panama.

Vow To Remain in Alliance

PA0604012691 Panama City Telemetro Television in Spanish 2322 GMT 5 Apr 91

[Text] The Christian Democratic Party [PDC] announced this afternoon that to promote the unity of the political parties that make up the alliance, it will not respond to the statements made last night by the president at the presidential palace and that it will not leave the alliance. Guillermo Cochez spoke on behalf of the PDC.

[Begin recording] [Cochez] We have had a very good meeting because there was a large political committee turnout. I can tell you that there has not been anything new today. There is nothing to add to what was said yesterday. We only want to reiterate that the PDC, rather than thinking of the party's benefit and rather than thinking of ourselves, is thinking of the country. That is the PDC's primary objective.

[Unidentified reporter] The president has said that you are attacking him. How will you continue to govern jointly in circumstances where there is no mutual trust?

[Cochez] We reiterated yesterday that whatever the situation is, things should be stated clearly. We believe that the path is through dialogue and a concerted effort. We will continue the talks tomorrow with the participation of all the parties and the Civic Crusade. I cannot say where it will be, but we hope that through that path we can overcome this crisis, which definitely does not bring tranquility to the country.

[Reporter] Despite the statements that were made, do you think that the situation can be overcome?

[Cochez] I definitely think it can be overcome.

[Reporter] Have you considered the statement made by Hector Penalba, who said that what you should do is quit the alliance so that they can govern in a better manner?

[Cochez] Our relationship is with President Endara. We have stated clearly that we are not going to respond to persons or individuals. We hope that the situation will improve because the country's interests are at stake.

[Reporter] Do you intend to remain in the alliance?

[Cochez] There is nothing that will make us change our decision to remain in the government.

[Reporter] What does the PDC think of the charges made by President Endara yesterday? What do you think?

[Cochez] We have already said that the charge is groundless. A simple price quotation was mistaken for a purchase request or purchase order, perhaps because of poor

counseling. That was obvious. We see, however, that there are elements who seek to incite and create irreconcilable positions, perhaps thinking more of their party interests rather than of the national interests. For the PDC, fortunately, that is not the situation. We are thinking in terms of the welfare of the country.

[Reporter] To what do you attribute the visit by Mario Galindo to the home of Ricardo Arias Calderon?

[Cochez] I do not know if you asked him, but I imagine that he came to speak to Dr. Arias Calderon.

[Reporter] In your opinion, what are the Arnulfists seeking with all this?

[Cochez] I do not want to add anything more to the discussion. Let us seek solutions. We think that what is.... [changes thought] Let us leave it at that. Thank you very much. [end recording]

Arias Calderon on Party Role

PA0604001991 Panama City Radio Ancon in Spanish 2323 GMT 5 Apr 91

[Text] The Christian Democratic Party [PDC] met today at the residence of Ricardo Arias Calderon, first vice president of the Republic and PDC president. Ministers, directors, and government authorities who belong to the PDC attended this meeting.

Guillermo Cochez, mayor of the Panama City district, told the press that no agreements were reached during this meeting, and that they will continue meeting tomorrow. They are waiting for some reaction from President Guillermo Endara Galimany.

At the conclusion of the meeting, Dr. Ricardo Arias Calderon did not make any statements to the press. He later left his home, and then met with Monsignor Marcos Gregorio McGrath at the archbishop's residence. When he left this meeting, Dr. Arias Calderon said that they maintain the same stand as mentioned in the communique issued today.

In this communique, the PDC says that President Endara Galimany has made serious and unfounded accusations that seek to produce a crisis in government. The PDC is not afraid of continuing with the struggle to build democracy in Panama from the opposition ranks with the same devotion it has been working from the government ranks. In this case, the president should speak clearly, and he will receive an equally clear answer from the PDC.

Dr. Ricardo Arias Calderon said at all times that he maintains the same stand as voiced in the communique, where the party threatens to move into the opposition in view of the accusations made by President Guillermo Endara Galimany of an alleged importation of weapons that he deemed was unfounded. Let us listen to the statements made by Dr. Ricardo Arias Calderon when leaving Msgr. McGrath's residence:

[Begin recording] [Arias Calderon] The PDC stand was established last night in a communique, and this stand remains unchanged.

[Unidentified reporter] The Arnulfists are asking for cabinet changes. What does the PDC think about this?

[Arias Calderon] The PDC presented a stand to the president of the Republic, and we are awaiting his reply.

[Reporter] What did you say?

[Arias Calderon] It is stated clearly in the communique.

[Reporter] Are you planning to yield some government positions?

[Arias Calderon] Our stand is clear in the communique.

[Reporter] Will your party stay in the alliance?

[Arias Calderon] I believe that what we said in the communique still stands.

[Reporter] But will you stay in the alliance? How about a message for the Panamanian people at this time when there are so many political problems?

[Arias Calderon] Thank you. [end recording]

Radio, Papers Outline Current Political Crisis

PA0804033891

[Editorial Report] The following is a summary of various reports, editorials, and commentaries from several Panama City Spanish-language media regarding the current political crisis.

Radio Ancon broadcasts a five-minute commentary at 2222 GMT on 5 April that berates attempts by Democratic Revolutionary Party, PRD, Legislator Gerardo Gonzalez to weaken the government and hinder its democratization by filing charges against President Guillermo Endara in the Legislative Assembly. The formerly governing PRD, which was violently ousted from power for its ties to drug trafficking, is now "lending itself to foreign interests that are attempting to destroy our economy and financial center and to subject our free and sovereign nation to foreign wishes and plans."

The commentary also refers to the money laundering charges issued against Panama's international banking center and says the center should have already issued a statement to refute the charges and explain that "the money laundering activities actually start in the United States." The commentary notes further that "funds are deposited in the United States and bank transfers are later made to Panama, so that the funds may return to the United States in a process which is controlled by the North Americans."

Furthermore, the commentary says, "the Panamanian people are fed up with these efforts to disrupt order, violate the Constitution, divide the government, and

leave the country defenseless" against the problems "and the irreparable damage caused by 21 years of the military regime, the U.S. economic sanctions, and the devastating invasion."

EL SIGLO DOMINICAL on 7 April publishes on page 2 a 300-word column by Carlos Singares called "The Director's Opinion." Singares reviews the latest political events in the country and says that "the Panamanians have witnessed—with astonishment, anger, and pity—the sad show organized and carried out by the politicians who today rule the country." He says that "those who were appointed to save the homeland," the same ones who promised "democracy, bread, work, justice, and liberty" to the people, "have become the jailers of the principles and ideals which prompted Panamanians to support—with sacrifice, blood, and sorrow—the ticket led by Guillermo Endara."

The writer then says that "the deceit has been monstrous and the fraud resounding," and the political parties' internal rifts have only earned the people's scorn, because "those who were chosen to defend the country have become the greatest enemies of our democracy." He urges the country's leaders "to look back, realize their mistake, and make the necessary corrections," but he adds that he doubts "the situation will be corrected because it is now out of control" and "the dilettante politicians who rule the country" will continue with the same platitudes until their term ends.

The 7 April issue of LA ESTRELLA DE PANAMA publishes on page A-4 a 400-word editorial which says that "the electoral strength obtained by the country's current rulers on 7 May 1989" was "undeniably the result of their promises to the people." The editorial adds that the opposition politicians had offered the people "a public administration based on the principles of a civilian government totally devoid of military influence." It says that "no one can deny that the structures of the public security organizations were immediately changed" and "all possibility of returning to militarism, modern weapons, and military repression were eliminated."

However, the editorial continues, "bad political habits" apparently include "a tendency to rely on weapons," and Panamanian society was alarmed by the information revealed by government sources on "the purchase of weapons by the Institutional Protection Service." The editorial emphasizes that "it is unacceptable that the purchase of weapons to protect the president was approved at a time when the people are suffering the worst social crisis in history." "It is equally unacceptable that those who yesterday fought militarism now find no other way of defense but the purchase of modern weapons." The editorial states that "the measure certainly represents a great danger for the country's constitutional and democratic stability."

The editorial states that "political disputes are dangerous for the country" and "the nation demands a political and administrative definition that is only possible through a firm, respectable, and just leadership." It ends by saying that "the Panamanian people continue to watch those who promised everything and give nothing for the sake of the nation's vital interests."

CRITICA LIBRE on 7 April publishes a 300-word editorial on page 4 reviewing the dispute among the government parties and saying that "the people believe it is necessary to change the government's course" because its "programs, plans, and efforts have failed or fallen short." The editorial adds that "the country demands measures aimed at restoring peace to encourage investment, guarantee jobs and salaries, endorse the economy's growth, and carry out development activities."

Furthermore, the editorial states, "if the bureaucratic replacements being mentioned in political circles do occur," they must be carried out within the efforts to achieve "better results and higher efficiency" and to guarantee seriousness, dynanism, and willingness to serve," because the "government must be worthy of the citizens' trust."

LA PRENSA on 7 April publishes on page 1-A a 150-word report by Elkilia Santos stating that Civic Crusade leader Aurelio Barria has urged the country's rulers "to remain united because the government must adopt important decisions on economic and public security issues this month," and it can hardly be done if they are divided. Barria also says that government leaders "cannot discuss, fight, and exploit the Panamanian people's hunger, unemployment, and grave social needs."

The same issue of LA PRENSA publishes another report by Elkilia Santos on page 32-A, 400 words long, saying that Popular Action Party leader Carlos Ivan Zuniga stated that "the government alliance has been divided by budget issues" because "the ruling parties are not really interested in solving the country's basic problems." Zuniga added that "there would be no solution to the unemployment problem if Panama did not have an active private sector with its own dynamics."

The politician also said that the country's "public education is in its early stages" and changes must be made so that "Panamanian students are no longer the victims of the irresponsibility which has prevailed for 21 years." He also talked about "the lack of a housing program that responds to the people's economic needs" and about "the situation prevailing in the justice sector," where "the lack of speedy trials causes a lot of damage."

The same 7 April issue of LA PRENSA, on page 31-A, publishes an article by Roberto Arosemena Jaen, secretary general of the Popular Nationalist Party, who starts out with the metaphor: Whoever goes to bed with a child wakes up in a wet bed, and whoever sponsored this must necessarily pay the consequences. Arosemena says that this happened in Panama on 20 December 1989, when "the Republic was turned over to the men who wanted to rule the country," but very few realized that "public power was in the hands of children." The writer goes on

to say that "propaganda and the power brokers in Panama sponsored the false image" which has been created about the children who now rule the country, "but the nation has realized, little by little, that it is all a mistake. The triumvirate plays with public power like one who plays with private power. National interests are adrift. Party interests are being consolidated," and "parties threaten to devour each other."

Arosemena adds: "The country may continue like this if the citizens maintain their political inertia," but "it is time to act. Public power can no longer remain in the hands of children. Whoever has to accept that he erred must do so, whoever has to resign must do so, and whoever feels that he can no longer continue to justify the unjustifiable must say so." Likewise, "public power comes from the people," and "the people have opted for a democratization process that has been suspended by the triumvirate's lack of capabilities." The writer emphasizes that "the triumvirate must reconcile itself with the people," who "must be consulted to legitimize any democratization alternative."

Arosemena goes on to say that "the triumvirate's prestige at the international level is very low," and the people are clamoring for "democracy and reconciliation." However, "this government and the governments that have preceded it, ever since 11 October 1968, are only interested in remaining in power. That is why the dialogue to settle differences has failed."

Civic Crusade Member Urges Unity Among Parties

PA0604014891 Panama City Circuito RPC Radio in Spanish 2236 GMT 5 Apr 91

[Passages in quotation marks are recorded]

[Text] You will hear statements by Civic Crusade member Aurelio Barria, who will talk about the political situation in the country. Barria sends a message to those leading the country.

[Barria] "I would not like this to become the black Friday of democracy in Panama because political forces are polarized. I am concerned over the outcome of this situation, not only for the ADOC [Civic Democratic Opposition Alliance], but also for the future of all Panamanians. In 1987 and before, we fought for democracy and justice in Panama. It is not easy to walk the path of democracy, but we must now put aside the things that separate us and concentrate on the things that unite us. Panama is injured and is in a serious condition. I would like for us to reflect deeply over the weekend."

It is necessary for politicians in this country to think about solving social problems because Panamanians demand it.

[Barria] "We must walk the path of harmony and struggle against poverty, unemployment, malnutrition, and other serious problems. We have to make important economic, social security decisions during the month of April."

As for the statements made by President Guillermo Endara Galimany, who said he would attack those who attack him, Barria said the following:

[Barria] "These statements should not have been made. The statements were the result of his wrath or his reaction, but I feel that deep in the hearts of both President Endara and Vice President Ricardo Arias Calderon, they are concerned about their country and about the Panamanian people. I call on them, and all their advisers as well as all legislators to do something for this country. This should not become the black Friday of democracy."

Coalition Unity Emphasized

PA0604154791 Panama City Radio KW Continente in Spanish 1253 GMT 6 Apr 91

[Text] The Civic Crusade, which during the dictatorship played a vital role in the struggle for democracy, justice, and liberty, has offered to mediate in the political conflict. These efforts, however, have apparently been in vain. Coordinator Alberto Conte hopes for an understanding to save the alliance.

[Begin recording] [Conte] First of all, President Guillermo Endara spoke during a meeting of fellow party members, but I do not think that they represent the number of members who they say are registered, approximately 117,000 people. I agree that things are often said during the heat of a meeting. It would not be wise, however, to say that what this group said represents the final word. I think Prresident Endara should heed the demands that his party members made in this meeting. If in a meeting like this the decision will be made to end a national alliance that not only terminated the dictatorship, but is our people's only hope of solving many problems, then we are in a situation that reveals only party interests. I think that we should use every opportunity to keep talking and to find a truly intelligent, rational, and even negotiated solution. These problems should not continue to be discussed in public.

[Unidentified reporter] What do you think will happen if the Christian Democratic Party [PDC] decides to leave the alliance or the president decides something else?

[Conte] This could bring about a tremendous political imbalance. It could irreparably damage the possibility of solving our economic problems because foreign investors, whom we should be inviting to Panama to create the jobs our people need, would only see a political imbalance that has never been good for private investment anywhere in the world. If the PDC leaves the alliance, I suppose several ministries and lower positions, which are now held by PDC members, would be held by Arnulfista Party members. Let us keep in mind that the coalition government did not dimiss all

employees who had been working for the Noriega government, Dignity Battalion members, or Codepadi [Committees for the Defense of the Fatherland and Dignity] members. Now it will happen that the party members who ended the tyranny and the Noriega government will be the ones dimissed in a moment of political wrath, only to be replaced by Arnulfista members. Frankly, this would be completely insane, unfair, and unacceptable. Please, let us not allow things to go that far. Gentlemen politicians, please stop; Panama deserves to have things considered and pondered. We have too many problems. We should not aggravate the situation with this irreconcilable clash of political interests. Everything can be settled by talking. As soon as the alliance is broken, the Civic Crusade will no longer have a reason to continue seeking conciliatory solutions. We will also have to make a decision about whether to keep struggling for what we defended on the streets, with a high percentage of dead, beaten, exiled, imprisoned, and bankrupt people. This percentage is much higher than that contributed by any of the political parties trying to seize power. If we have to tell our truth, we will say it loud and clear.

[Reporter] Is the Civic Crusade still firm in its willingness to mediate in this political crisis?

[Conte] Until the patient exhales his last breath. [end recording]

Arnulfist Leader Deems Crusade's Conte 'Biased'

PA0604212091 Panama City Telemetro Television in Spanish 1832 GMT 6 Apr 91

[Text] The meeting with the political parties called by the Civic Crusade was held this morning without the participation of the Arnulfist Party, whose members accuse Civic Crusade coordinator Alberto Conte of being biased.

Arnulfist Party leader Francisco Artola said today that his group did not attend the meeting called for the Civic Crusade because it believes that Coordinator Alberto Conte is biased.

[Begin recording] [Artola] We believe, after reading the morning's newspapers and listening to some statements given by the Civic Crusade coordinator, that he is somewhat biased, and this might significantly affect the Arnulfist Party. Therefore, we decided to send a letter stating that we would not attend today's meeting.

[Reporter] You do not think that there is some degree of stubbornness in the attitude adopted by the Arnulfist Party?

[Artola] I do not think that the Arnulfist Party is stubborn. We simply know that there are ministers, directors of autonomous entities, and directors at different levels who are not fulfilling the tasks that the president of the Republic entrusted them with. They are deviating from the Presidency's guidelines and policy. Therefore, they have failed to give the necessary solutions that the Panamanian people have been anxiously expecting. Consequently, this is not a matter of being stubborn because we have not started any action to destabilize the government. It was started by other persons. [end recording]

Parties Accept Crusade's 'Conciliatory Agenda'

PA0704164791 Panama City EL PANAMA AMERICA in Spanish 7 Apr 91 p 1

[Report by Orlando Mendieta]

[Text] Yesterday the representatives of the four parties that comprise the ruling Civic Democratic Opposition Alliance [ADOC] (Christian Democratic Party, Molirena or Nationalist Liberal Republican Movement, Arnulfist Party, and Liberal Authentic Party) accepted a conciliatory agenda proposed by the Civic Crusade to end the state crisis provoked by the most recent disputes among the political parties.

Alberto Conte, Civic Crusade coordinator and mediator in the talks, said that a meeting held among these parties was positive because the proposed agenda was accepted. He added that this agenda was sent to President Guillermo Endara and the ADOC party presidents for discussion or adoption.

Although he did not reveal the specific contents of the agenda, Conte pointed out that all the points are important for attaining harmony, unity, and team work, and immediately tackling the country's most urgent problems.

He added that one of the points on the agenda calls for the official parties, which might have problems with each other in the future, to air their differences in private rather than in public.

As for the Arnulfist Party communique saying that his role as mediator is not objective, the Civic Crusade coordinator said that in assuming this kind of role one must always be prepared to take "hits." Conte added that the Arnulfists are allowed to think that at one time or another his statements have not been—in their opinion—appropriate.

However, the Civic Crusade coordinator said that despite that communique, an Arnulfist member, Jose Miguel Aleman, did attend the meeting. He submitted a document on behalf of his party, remained until the end of the discussion, and signed the agenda along with other party representatives.

Further on Accepted Agenda

PA0704170591 Panama City LA PRENSA in Spanish 7 Apr 91 p 1A

[Excerpt] [passage omitted] After a meeting held yesterday, Civic Crusade Coordinator Alberto Conte said that the four parties in the governing Civic Democratic Opposition Alliance [ADOC] had reached a conciliatory agreement and would remain in the coalition.

Conte said party delegates had agreed to set aside the serious differences which have emerged in the past 72 hours and to work on the agenda which was sent to President Guillermo Endara yesterday.

The pact, which observers have called "a Civic Crusade victory," was reached at the Panama City municipal executive offices. In addition to Conte, the following people attended the meeting: Jose Miguel Aleman for President Endara's Arnulfist Party; Guillermo Elias Quijano for Molirena [Nationalist Liberal Republican Movement]; Jose De La Rosa and Julio Ramirez for the Authentic Liberal Party; and Legislators Milton Henriquez and Raul Ossa, Christian Democratic Party [PDC] General Secretary Ivan Romero, and Panama City Mayor Guillermo Cochez for the PDC.

It has also been reported that Carlos Rodriguez, the [Authentic Panamanist Party] candidate for first vice president in the 1984 presidential elections, arrived in Panama City on the night of 5 April to try to mediate the dispute of the ADOC parties.

An important PDC source, who requested that we not reveal his name, stated that Rodriguez, a close and trusted friend of deceased President Arnulfo Arias, came to Panama because he was called by President Endara to mediate the Panamanian political crisis.

Although the source did not give us the time or the place, he stated that Rodriguez will meet with PDC President Ricardo Arias Calderon today to discuss viable formulas to maintain the unity of the governing coalition.

The PDC and Endara's Arnulfist Party are totally estranged and, according to independent observers, the breakup of the alliance is unavoidable and imminent.

Later on, the PDC source observed: "We are trying to keep a cool head. We will resign if the president asks us to, but we are not going to despair."

Presidency Memo Seen as Promoting 'Personalism'

PA0604150691 Panama City CRITICA LIBRE in Spanish 6 Apr 91 pp 1, 14

[Article by Roberto Cubilla]

[Excerpt] The conflict that has rocked the foundations of the national government appears to be continuing its fatal destruction, in view of the contents of a memorandum issued by the Presidency of the Republic that is circulating in all government ministries. The memo in question mentions the existence of billboards and signs beginning with the words: "The Endara, Arias, and Ford administration is doing its duty through this project," in reference to achievements of the current administration. The memo indicates that such wording implies that Panama has "a triumvirate government, and this greatly harms the image of Guillermo Endara Galimary, constitutional president of the Republic."

According to the memo, billboards and signs should read: "President Endara's administration, or President Endara's government, is complying with its duty to the people through such-and-such a ministry or institution."

Citizens who have seen the memo in question have expressed surprise over its contents because they feel that the Presidency of the Republic is promoting an egotistical personalism regarding the actions of a public administration that began with great energy and that formerly proclaimed the unity of the three-man presidential slate which brought the people's government to victory over the tyranny of ousted former General Noriega. [passage omitted]

Liberal Republicans Want Alliance Maintained

PA0604010291 Panama City Telemetro Television in Spanish 2310 GMT 5 Apr 91

[Text] Alfredo Ramirez, leader of Molirena [Nationalist Liberal Republican Movement], and Second Vice President Guillermo Ford [also of Molirena] have advocated the maintenance of the government alliance moments after holding an informal meeting with President Guillermo Endara:

[Begin recording] [Ramirez] The president invited us to discuss the current political situation. Our party, we, its representatives, advocate the maintenance the Civic Democratic Opposition Alliance's [ADOC] political alliance.

[Unidentified reporter] Its rupture seems virtually imminent.

[Ramirez] No, I cannot say that; I cannot say that.

[Reporter] Will the Christian Democratic Party [PDC] remain in the government.

[Ramirez] I insist that our position is to promote the alliance.

[Reporter] What is Molirena's position in light of....

[Ramirez, interrupting] That is our position: To keep ADOC together.

[Reporter] But do you believe that it will be possible to maintain the alliance?

[Ramirez] Everything is possible.

[Reporter] Could the Arnulfists' position bring about a rupture?

[Ramirez] You should pose that question to the Arnulfists.

[Ford] I reaffirm that our position is to urge alliance members to once and for all look after the fatherland's interests. We must consolidate the alliance, approve the necessary laws, and move the country forward.

[Reporter] Was it explained why PDC members did not attend the meeting?

[Ford] No, he [not further identified] did not give us any information. He simply postponed it because, as you know, this is a meeting held every two weeks, more or less. He postponed the formal meeting. He is holding informal meetings with certain groups. [end recording]

Liberal Party Leader Downplays Confrontation

PA0604032291 Panama City Telemetro Television in Spanish 2314 GMT 5 Apr 91

[Text] Authentic Liberal Party Leader Arnulfo Escalona has said that the current developments in the political arena are typical of a tropical country. He noted, however, that there could be a readjustment in the government.

[Begin recording] [Escalona] There is no disintegration. We have a commitment to democratize this country. As long as the democratization process is not affected, many things can happen among the four parties that have joined forces to democratize the country. We are working on that.

[Unidentified reporter] The Christian Democratic Party, however, is encountering serious difficulties with some of the parties within the alliance.

[Escalona] I do not think so. As I have said, our common goal is to democratize the country. Current developments are typical of a tropical country such as ours. Some people are alarmed by situations like this, while others, like me, are not worried because this has no meaning or significance .

[Reporter] What is the meaning of the president's expression, blow by blow, in responding to the attacks he is ....

[Escalona, interrupting] ...he is taking [blows] and he is determined to reply. I believe that the warning is for all, not for any specific political party. There could be readjustments, which is different from a cabinet crisis.

[Reporter] Could there be cabinet changes in the next few hours?

[Escalona] As I said, there could be readjustments. I did not say in the next few hours, you have added those words.

[Reporter] Who requested those changes?

[Escalona] No, no, no. Political circumstances. Political circumstances can produce readjustments. However, it depends on the ability to make those readjustments. [end recording]

Government Leaders Discuss 'Crisis' on TV Show

Party Officials View Situation

PA0704022291 Panama City Telemetro Television in Spanish 1815 GMT 6 Apr 91

[Panel discussion with Guillermo Cochez, Panama City mayor and vice president of the Christian Democratic Party; Juan Chevalier, commerce and industries minister and prominent Arnulfist Party member; and Alberto Conte, leader of the National Civic Crusade, hosted by Lucy Molinar on the second segment of the "Loud and Clear" program—live]

[Text] [Molinar] As we had promised, we are going to speak with political leaders today. We have here Alberto Conte, who heads the National Civic Crusade [CCN]; Guillermo Cochez, vice president of the Christian Democratic Party [PDC]; and Juan Chevalier, an important member of the Arnulfist Party. Thank you for being here.

Mr. Conte, we know that the CCN has taken the initiative of trying to reconcile the country, something the people view favorably. I want you to tell me the truth. There are many problems to attaining this reconciliation. How do you view this?

[Conte] The problems are logical and normal. If there were no disagreements among the parties that form this alliance, there would only be one party. As long as three, four, or five parties are involved, there will be disagreements. Nevertheless, I am pleased to announce that the latest decision made today was to maintain unity and to discuss the proposed agenda. We hope that from this moment on, we will seek the solutions that the country needs.

[Molinar] Who met this morning?

[Conte] The same members of the four parties who participated in the past three meetings.

[Molinar] I want to talk about the agenda because I understand that the president said that if it involved administrative, political, or executive branch matters, then the dialogue would not be successful. What is in the agenda?

[Conte] At this time I cannot tell you what is in the agenda because we have agreed that the Panamanian president and the presidents of the political parties must first receive it. However, I can tell you that the agenda is based on a responsible attitude that seeks the solution to national problems. The president and his group will use the formulas to make the solutions feasible.

[Molinar] I want to ask you the following question, but I first want to address it to both Mr. Cochez and Mr. Chevalier. What is the root of the problem? Perhaps the country already knows it because it knows what is going on, but I honestly want to know what the opinion of each of the parties involved in the problem is.

[Cochez] I think we must understand that fights and quarrels are normal between human beings. However, I think there is something that goes deeper. The superficial issues will be resolved, as Alberto Conte has said. We will attain solutions. Nevertheless, we must get to the root of this, and the root of it is perhaps not found among all the individuals participating in it.

[Molinar] Where is the root?

[Cochez] The root is perhaps found in someone who has been exerting efforts so that the PDC will leave power, someone who is frustrated that he was not the presidential candidate in 1989, someone who even opposed President Endara, someone who is saying that the PDC should be removed from the political arena. I am specifically referring to the comptroller general [Ruben Dario Carles], who has been obsessively calling for the departure of the PDC from power. He has been blocking the entire process involving the ministries and institutions in which the PDC participates. Perhaps the objective is to prevent the PDC from being successful in carrying out its social programs. I think that once the superficial problems are solved, we have to address more specific issues.

[Molinar] Mr. Cochez, we are talking about extremely delicate matters. You are making a very serious accusation, and, unfortunately, the comptroller is not here to respond to the charge. Is he the greatest obstacle? What is the solution to this problem: the removal of the comptroller?

[Cochez] I have said that he is one of the obstacles. I have said he is one of the deep problems. We cannot merely say: The conflicts among the various parties have been resolved, ADOC [Civic Democratic Opposition Alliance] has been mended, and the problems among the PDC, the Arnulfist Party, and Molirena [National Liberal Republican Movement] have been solved. There are other problems. There is a deep problem we must all see and address. We are all dutybound to find a solution. I am not going to propose a solution at this time.

[Molinar] I do not like it when an accusation is made on the program.

[Cochez] I have not made an accusation, I have made known a specific fact that we can substantiate and prove in countless ways.

[Molinar] Thank you very much. I want to hear Mr. Chevalier's opinion. What is the future of the alliance with these problems? I do not want to call them fights or quarrels. I do not even know what to call them because I am very saddened by them.

[Chevalier] Let us call them differences.

[Molinar] The country deserves better. Mr. Chevalier, how willing is the Arnulfist Party to find a solution?

[Chevalier] You have asked me three different things. I want to begin by saying that what is occurring in the country—the differences among the parties which form the ruling government alliance, the ADOC—is what occurs when one learns to live in a democracy in fits and starts. Democracy must be built with all the defects, imperfections, and virtues each person has, contributing one's best in each situation. It is difficult for three or four parties to coexist when they share some of their objectives, but not others. Therefore, some disagreements can occur. At the same time, there is also the factor of the personality of each of the individuals involved.

[Molinar] I would like to know the party's position.

[Chevalier] I want to tell you that the Arnulfist Party's position is the defense and maintenance of democracy and, as much as possible, the maintenance of the unity of ADOC now in the government. Nevertheless, certain situations occur. For example, the PDC vice president has made a very harsh accusation here against an official. I do not want to begin to discuss it. It is not up to me to do so. But I want to tell you that he has the right to give his opinion.

[Molinar] Yes, all opinions are respected here.

[Chevalier] However, I do not share his opinion.

[Molinar] Yes, I want to know....

[Chevalier, interrupting] We are for democracy and for the maintenance of ADOC. However, we think that we need to sit down among ourselves and open our hearts so that we can form a cohesive government in which a party that is in the government does not have public officials attacking the government from the outside. That is being inside and outside the government. I think these are problems of an incipient democracy, but they can be corrected, and they must be corrected as soon as possible because they could lead us to a situation we could all lament.

[Molinar] To chaos and to international disgrace, which we are seeing right now. Your party is asking for more participation. You do not want to call this a bigger share or more political posts, but deep down more participation means more political posts.

[Chevalier] I would like to tell you that everyone in this country is aware of President Endara's political generosity. He has been extremely generous in every sense of the word because he is an open and good man who wants to share with everyone. However, he has his problems when the situation which I mentioned earlier occurs. He has a political responsibility to a party that in two days registered 120,000 members. That cannot be politically ignored in the country, but this does not mean that someone has to be displaced. The Arnulfists are not going to go into the streets because its members have not been appointed here or there. That is not the function of a political party. Nevertheless, I think that in any administration, we should all undertake self-criticism after a couple of months so as to make readjustments to better organize ourselves, but without thinking about whether such and such a thing belongs to one party or another. Instead, we should think about what is best for the country to have a cohesive government plan.

[Molinar] Thank you very much. Mr. Conte, with this panorama do you think the efforts begun by the Civic Crusade will be successful?

[Conte] This has been a path filled with obstacles and problems. It has really been difficult for the CCN to be a mediator. Nevertheless, we have found a new formula nearly at the end of the path, and we have at last agreed that we want to reach an agreement. However, we are somewhat concerned because, once again, events have occurred which turn back the situation. One of the recommendations made by the CCN to the distinguished members of the political parties is: For God's sake, discuss your differences internally, and if there is some type of accusation, take it to your own party and discuss it there. When these things are aired in public they create uncertainty. This is what the CCN has been pointing out to them all this time. If we are unable to solve these verbal disputes, it will be very easy for rifts to occur because someone will simply try to reply to what he considers as an insult.

[Molinar] We will now see a report that our station has prepared on the country's political problems. I want you to see it and afterwards we will have a new round of questions. Let us hope that when we leave here, we will all do so with the hope that the dream of all Panamanians who struggled so long will become a reality. They dreamed that Panama would become a country where we would work to build a democracy. Let us see the report and then we will return.

[Begin unidentified reporter recording] The political disputes between the Arnulfists and Christian Democrats became more intense on the afternoon of Thursday, 4 April, when PRD [Democratic Revolutionary Party] legislator Gerardo Gonzalez linked President Guillermo Endara to the laundering of drug money. Gonzalez' charges also involved the Solis, Endara, and Delgado law firm in these illegal activities. They were based on an alleged report of DEA special agent Yvette Torres who investigated several money laundering companies.

That same night, President Endara held a news conference at the presidential palace to deny the PRD legislator's charges, and he announced that he will file a slander and libel suit against those who have tried to discredit his reputation. At the same time, the president replied to remarks by PDC legislators who had accused him of beginning an arms buildup by importing Israeli-made weapons. The PDC legislators also said that members of the Arnulfist Party had been acquiring weapons and ammunition. This further worsened the tensions in the ruling government coalition. President Endara said that same night that he had run out of patience and that he was going to respond blow for blow to the PDC attacks. Endara released documents with requests for weapons for the Panama City mayor's office and the Housing Ministry, posts held by PDC members. Endara emphatically stated that the PDC is importing weapons and he denied that the Presidency is doing the same.

A short time later, the PDC leadership issued a communique threatening to leave the government and denouncing that some individuals want to provoke a government crisis. It also described Endara's charges as groundless.

On their part, the Arnulfists replied that they would rather act alone than be the object of traps, and they urged the PDC to keep its promise to leave the government. A coordination meeting between the alliance parties and the president was cancelled on the morning of 5 April, without further details being released. Political leaders of the Authentic Liberal Party, Molirena, and the Arnulfist Party then met informally with President Endara to analyze the crisis between the Arnulfists and the PDC. There was great expectation about what would occur at the presidential palace.

The Arnulfists met at their party headquarters on the afternoon of 5 April to express their support for President Endara. The Arnulfists requested changes in the cabinet and reiterated that the PDC must leave the government. In a speech to his fellow party members, Endara said that he would be analyzing the political situation all this week and that he would be making very important decisions.

While the Arnulfists met at their party headquarters, the Christian Democrats were meeting at the house of Dr. Arias Calderon, evaluating the political events. Panama City Mayor Guillermo Cochez announced that the PDC would remain in the government and he said that President Endara's charges are groundless. Throughout the night of 5 April, high-ranking officials continued meeting to prepare the political strategy to be followed today after the CCN and the Catholic Church's call to the parties involved in the conflict to reach an understanding. The CCN warned that tempers are running high and that a solution must urgently be found. [end recording]

[Molinar] Exactly because tempers are somewhat high, let us talk about the future, but first I want Mr. Cochez to clarify some of the views he has expressed.

[Cochez] What I wanted to point out is that there are a number of outside elements promoting internal divisions. We have just seen it in part of the report on the crisis. For example, with regard to the issue of the weapons, I am sure that they confused the president with the request for prices and an order for the purchase of weapons that were simply never bought. Yesterday, they were chanting: "Not One More Green" [reference to the PDC's color]. Who has been behind this campaign? They are elements who are in the background, as I have pointed out, like Comptroller General Carles, and we, as parties which form the alliance...[changes thought] at the level of advisers who want to sow discord, who make statements like Minister Chevalier was pointing out, people who want to appear more often on the media....

[Molinar, interrupting] Mr. Cochez....

[Cochez, interrupting] We must seek the solutions among ourselves in a frank and sincere way to resolve

these problems, as Conte said, among ourselves, rather than airing them outside. The country will not tolerate this anymore.

[Molinar] Mr. Cochez and Mr. Chevalier, I would like to tell you that I would hope that problems of this type were not publicly aired. As a journalist, I know it benefits me if they are because I live from this. These things enrich my program and the newscasts, but is this good for the country? What do you think, Mr. Chevalier?

[Chevalier] The country needs political peace to prosper, even though this is an extraordinary country because it prospers despite what the politicians sometimes do. Nevertheless, these things cause us much harm, especially abroad. When we are involved in a campaign to attract investments from abroad, this political unrest, which is reported in the foreign press, causes us great harm. The public abroad does not understand the Panamanian nature. We see here that two ministers say things on television, stepping on each other's toes. In another country that would be a serious problem, but in this country we smile at each other, shake hands, and continue walking.

[Molinar] I want to....

[Chevalier, interrupting] Let me finish. I had not wanted to bring up the issue of the weapons in a program like this one because I had thought it was not worthwhile to do so. The issue of the weapons has been handled out of context and out of proportion. I am not going to discuss whether it was a purchase order or a request for the sale of weapons, as the letter stated. That is what the letter stated. Someone else charged that the Presidency is importing weapons, when in fact it was something very small, which was even approved by the members of the party which is criticizing it and which has five or six ministers. But let us not go into that. I do not want to delve into that. That is why I had asked that we not mention it. What I do want to say is that we are fully aware that we have a responsibility to the country. We did not reach the government by the grace of God. A lot of people suffered here. There were many deaths here, there were many exiles, people who lost their wealth, who lost their brothers. Many lives were lost and we cannot continue to play with this situation. We politicians have to sit down and say: Gentlemen, let us smooth over our differences. Let us work jointly and stop appearing on television and other media criticizing each other. Willie [Cochez], when I have had something to criticize, we have called each other on the telephone.

[Molinar] You talk to each other on the telephone. One supposes that the objective....

[Chevalier, interrupting] I do not need to promote myself and to stand out because I think I am the bravest and I allow myself the pleasure of saying three or four things about the president on television. This has to be stopped because it creates resentment.

[Molinar] Mr. Chevalier, Mr. Cochez, are you aware that this has to be stopped? Are you willing to stop this?

[Cochez] Minister Chevalier pointed out something that perhaps we politicians living in democracy have not gotten used to, and that is a key word: self-criticism. I think that with self-criticism, we can all improve. In this sense, we must practice self-criticism in a positive sense. We must seek better channels to improve the legislative branch-executive branch relationship. We should—and I reiterate this as a government member—create better means of communication so that not only the problems will be reported by the media, but also the great achievements that have been attained in 15 months by the Endara government in all fields, health, housing, foreign trade, municipalities. That is not being made known.

[Molinar] That is overshadowed by the image presented by the politicians, all of them. Excuse me, Mr. Chevalier, Mr. Cochez, if I say this.

[Cochez] You are now going to excuse me for saying this. But if I tell journalists that I want to be interviewed about such things as the Multiple Services Center that will be financed by the Lions Club, they tell me: No, no, give us your opinion about the fight in the government. Let us speak honestly, Lucy.

[Molinar] I am not going to....

[Cochez, interrupting] Above all, there must be a balance.

[Molinar] Since the objective of this discussion is to seek a balance and to promote meetings, if you have a problem with the comptroller—let us speak loud and clear here—there are problems with the comptroller.

[Cochez] Very big problems.

[Molinar] Mr. Conte, why do we not propose a meeting with the comptroller? Why do we not call the president and meet? That is within the agenda. Let us all reach agreement and solve this situation and begin working for Panama.

[Cochez] Lucy, I want to finish by saying the following: There is a practice here of throwing the stone and then hiding the hand. There are some who want the reoccurrence of what happened in the past when the garrisons were above the Presidency. That must be prevented, precisely to strengthen President Endara.

[Conte] But we are not going to be able to prevent it by publicly criticizing, because then we would be casting suspicion over everyone and in the end no one would believe anyone.

[Molinar] Could we invite the comptroller to the next meeting you have?

[Conte] I would be happy to do so. I think there should be a special meeting for that because our mediation has been successful with regard to the problem of the parties and the strengthening of the alliance that yesterday we

thought was being broken. This was achieved today. If others agree, I would be happy to try to talk with....

[Molinar, interrupting] Mr. Chevalier.

[Chevalier] I would like to say that President Endara is characterized by one thing. He is a very patient man. He does not tend to act hastily. He receives much pressure. We are not going to deny this. That comes with the job of being president. Nevertheless, he is planning to think things over and to undertake consultations, and I am very sure that the president will not act hastily. He will give everyone the opportunity to express their view and then he will make a decision, which I hope will be the best one for the country. He is a man who has said that he likes to work in a team and not alone. He publicly said this during and after the election campaign. I am sure that if each person contributes his share of sacrifice, we are going to make this country move forward in the next few months.

[Conte] Let us hope this will be so.

[Molinar] I am a little tense. I feel a little uncomfortable because I am saddened by what is happening in Panama. I receive information from abroad and I know what is being said outside our country. In some way, I would like to speak on behalf of our viewers who expect much from the politicians and leaders.

[Cochez] Lucy, I want to finish by saying that sometimes it is necessary for these crises to occur so we will think things over. Nevertheless, this is not the moment to merely strengthen an alliance by mending it with chewing gum. It is the time to strengthen it by mending it with concrete. That is why we must get to the bottom of the problems. I have pointed to one of the roots. I have spoken loud and clear. Let us see how this problem evolves.

[Molinar] I am grateful for your frankness. That is true, the problem exists. You have spoken loud and clear. Let us then find the solution to this problem.

[Chevalier] That is right, that is how he sees the problem.

[Molinar] Mr. Conte, the responsibility....

[Conte, interrupting] One understands each other by talking.

[Molinar] Yes, the responsibility is in your hands and those of Mr. Chevalier and Mr. Cochez.

[Chevalier] I would say in our parties' hands.

[Molinar] In all our hands, because the parties are not structures; the people form the parties and we cause the problems. We will soon speak with Mr. Ricardo Arias Calderon. Mr. Conte, regarding the agenda of talks, which I know you cannot release to the public, when do you think the talks will conclude and when do you think you can tell us: The peace pipe has been smoked, we are going to begin working, and Panama will be the best country in the world?

[Conte] When I arrived here I was feeling pleased and bitter at the same time. Pleased because I thought we had achieved something, and that was to agree that we agreed on the agenda, bitter because I resented the fact that there are still some doubts and distrust that we cannot quite overcome. Nevertheless, if we want to see this in a positive light, I think you should feel pleased because the entire country has participated in this phase of maturity. I think that what counts now is that the politicians not lose that path. They should continue forward, thinking, first of all, that the country needs them as long as they can provide solutions. The day they cannot provide solutions, we will have a country like the one in 1987 when the people used white handkerchiefs to confront an army.

[Molinar] Thank you for being here. As Mr. Cochez said, we must be realistic, we must get to the bottom of the problems. I have also invited Mr. Arias Calderon to this program, to speak loud and clear on all these problems. I hope that as PDC leader he will give us many replies. Thank you for being here. I know the country's press will continue to follow the agenda, which there is much interest about and which is for the good of the country—the most important thing we must protect.

Thank you, Mr. Conte, I know you have a great burden on your shoulders, and Mr. Chevalier and Mr. Cochez, you have many things to respond to the country. Let us hope that very soon, for the good of the country, we can again meet to discuss positive and good things for everyone. Thank you for being here.

Arias Calderon on PDC Posts

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[Interview with Ricardo Arias Calderon, first vice president and minister of government and justice, by Lucy Molinar on the third segment of the "Loud and Clear" program—live]

[Text] [Molinar] We have Dr. Ricardo Arias Calderon with us now, and we are very grateful for his participation.

[Arias Calderon] Before we start, Lucy, I want to make an announcement: You are to be feared. You have been trying for weeks to get me to appear on this program. You are very clever, and you finally got me to come here. That is always the case with pretty and intelligent women; they always get their way.

[Molinar] Ricardo, I am not very clever, but I am very interested in having the Panamanian people know from you what is happening.

[Arias Calderon] One thing is for sure: You are to be feared.

[Molinar] Ricardo, there are many national problems, and I want the people to understand them. It is difficult to talk about the future when the present is not very.... [changes thought] We just finished a conversation, and at long last there is light and hope. However, we do not know if that light and hope will last very long. Let us talk about specific matters.

The Christian Democratic Party [PDC] is being accused of having too many ministries.

[Arias Calderon] Let us talk a bit about that. I believe there is a distorted image of the truth. Look, Lucy, the cabinet is comprised of 14 people: obviously the president of the Republic, who leads it; 12 ministers; and the comptroller general, who participates on a regular basis and has great influence in the cabinet. Out of those 14 people, five are Christian Democrats; five others are from Molirena [Nationalist Liberal Republican Movement], meaning four ministers and the comptroller general; two are from the Arnulfist Party [PA], meaning the president and the commerce and industry minister, my friend Juan Chevalier, who has just been here with you; and two others are from the Liberal Party [PL], the minister of the Presidency, who is the president's closest collaborator on a daily basis, and the agrarian development minister. Therefore, if one analyzes the reality, one realizes that there is no such Christian Democratic majority. Besides, there are as many Molirena members participating in the cabinet as there are Christian Democrats. An erroneous image has been created.

[Molinar] What then do you think is happening with the PDC?

[Arias Calderon] I believe that at a given moment in recent weeks, and which is apparently being overcome now, some people thought—and said it quite openly—that they believed the Christian Democrats should leave the government. Some people said it in public and quite openly; other persons said it privately, in a more covert way. Therefore, I think that, since this was the goal—I repeat, the situation is being overcome right now—there was interest in depicting the image of a PDC that controlled the government. In fact, this is a constitutional regime and the president is in charge of the executive branch in a constitutional regime.

[Molinar] Now, let us see: How could the president rule without the PDC?

[Arias Calderon] Frankly speaking, I think it would be quite difficult. To rule is not only to carry out executive actions. To rule means that the executive branch will be in agreement with the legislative branch. By the very nature of democracy, every president seeks to achieve a majority, if he can, in the Legislative Assembly.

There are two majorities, and only two majorities are possible in the Legislative Assembly. One majority is with the PDC, as it has been operating up to now on most occasions; the other is with the PRD [Democratic Revolutionary Party]. The first one is the majority of those who advocate a civic government in the executive branch, with a civic majority in the Legislative Assembly. The other would be a majority...

[Molinar, interrupting] Let us not talk about the other one.

[Arias Calderon] Let us not talk about it then, because obviously we do not want that. However, if you examine the situation both politically and logically, then you see that if there are those who want the PDC, or wanted—let us speak in the past tense—the PDC, to leave the government in both the executive and the legislative branches, then it is because they would be willing to form a government with the PRD in the executive branch or at least in the legislative branch, with everything that this entails. This would disappoint those who had great civic ideals that forged the current situation.

[Molinar] Mr. Calderon, would you be willing to resign...

[Arias Calderon, interrupting] Arias Calderon, which are my mother and father's last names. I love and remember both.

[Molinar] Sorry, Mr. Arias Calderon. We will try not to forget that. Would you be willing to leave your post?

[Arias Calderon] Look, Lucy, if there is a post that represents a heavy cross to bear, it is the Government and Justice Ministry. Do you think I have risked my life, as I have had to risk it on several occasions, for personal interests?

[Molinar] Would you leave your post?

[Arias Calderon] Of course I would leave it. It is at the president's disposal at any time, because of the constitutional mandate and his personal will. Do you know what it was like, two days after taking office, to be under bullets and bazookas for an hour and 45 minutes to create a new Public Force? Do you know what it was like to remain close to the president all through the night of 4-5 December, doing whatever had to be done so as to be able to wake up in a democracy? Do you know what it is to know that you are risking your own life and that of your loved ones?

I have not done it out of any personal interest, as not a single member of my family has been appointed in that ministry. I have not done it out of any partisan interest either, because I know the political cost of carrying out the task of democratization, excuse me, demilitarization. I know the political cost of creating a new police force and facing the problem of crime and jails.

[Molinar] And yet some people still feel that not enough has been done.

[Arias Calderon] If there is any achievement that will be written in the history of our country—and it is already a fact, and now thanks to a constitutional amendment will become law—it is the work of demilitarization carried out by the Government Ministry under the authority and with the approval of the president of the Republic.

[Molinar] However, I would like to....

[Arias Calderon, interrupting] Going back to your question, I would gladly leave that post, because I accepted it because I felt it was my patriotic duty, no matter how much it could cost.

[Molinar] In addition to your ministry, the PDC has other ministries from which people expect a lot. It has been publicly said that although the funds are available, nothing has been done. We are talking about the Health, Education, and Housing Ministries. People expect many solutions from those ministries.

[Arias Calderon] Let us analyze this, Lucy, as it is very revealing. What ministries were accepted by the PDC, in addition to the Government Ministry with all the difficulties I have already described? Education, Health, Housing, and Public Works, which are frontline ministries from where we must try to solve the distressful social problems that have accumulated in our country. There is a huge social debt that has accumulated as a result of what the dictatorship did, which was to steal the money from credits, and to waste and squander those funds. We accepted those frontline positions. It is really unfair to say that we have not been able to do our job. We have worked seven days a week, 24 hours a day, under enormous difficulties, which we must mention frankly. For example—I have mentioned this before and it has caused controversial reactions, but it is a reality—from last year's budget, approximately $300 million which had been alloted were not spent.

[Molinar] Why not? Why did you not exert pressure so that those funds could be invested for the people's benefit?

[Arias Calderon] There were not only internal pressures. Many times those internal pressures developed into public controversies when people became desperate. Among other reasons, because of the enormous bureaucracy that has not been eliminated. Do you know, Lucy, that a commission established by the president of the Republic, which is headed by the deputy finance minister, an excellent professional woman from Molirena, proved that a bidding took 285 days, in other words, between nine and 10 months? There has been too much bureaucracy, which still continues. For that reason, I have repeatedly demanded less bureaucracy, so that the funds that exist can flow into investments and operational expenses to be able to solve our social problems.

[Molinar] We are going to talk about that with Guillermo Ford, minister of planning and economic policy, because he asked us to wait for 45 days to see what would happen with the country's de-bureaucratization. The period is over next Saturday, and we are now inviting Ford to visit us.

Mr. Arias Calderon, the main problem, our current political problem, is the problem of the alliance. Too much energy is being spent on political discussions, and real problems are being put to the side. Yesterday the Arnulfist Party asked for cabinet changes. If these changes are made, will the PDC continue to support the government?

[Arias Calderon] It will depend. The initiative has to be taken by the president as chief of the executive branch. He has to make a proposal. What should an alliance respond to? It is a ruling alliance, both in the executive and legislative branch. It has to respond to various criteria like in all democracies. All democracies are built on a commitment with the voters. We have to read the commitments that were acquired with the voters to form a government. It is a reality that in 1989 a large majority of the population expressed their will through the green star [symbol of the PDC] ballot. That is a factor. For example, in the government of Patricio Aylwin.... [changes thought] I know you are very pro-Chilean because you have lived in Chile and your heart beats with Chilean things and persons. I know some of Lucy's secrets.

[Molinar] But Ricardo, I am very sad. I would like to talk about this situation. The rest is another story....

[Arias Calderon, interrupting] But it is a very important story in your life.

[Molinar] I would like to talk about the current situation. Is the alliance in danger?

[Arias Calderon] I think we must take other things into consideration.

[Molinar] Before going into that, we have a telephone call from a person who wants to ask you a question.

[Arias Calderon] Of course, I would be pleased.

[Molinar] Let us give her the opportunity to ask the question, and then we will go on to your answer.

[Isabel Corro] Thank you very much. Good morning. I am really not going to ask a specific question to Mr. Arias Calderon. I want to say that all people who have participated in today's program are looking at the political situation. My name is Isabel Corro, and I am president of the organization of those who fell on 20 December. The cost paid by Panama, the cost paid by the Panamanian people on 20 December, was too high, and I believe nothing has been done to help the people and deliver them from the difficult situation they found themselves in following the invasion. The people in government have spent their time fighting among themselves, but I believe this is the time to lead the country down the path of jobs, health, education, and many other things, especially the people's labor gains.

Excuse me, Miss Molinar, but this is an opportunity I have now. I am not given the opportunity to speak on television very often, and I am really interested in expressing my concerns to Mr. Arias Calderon because this situation should be taken into account by the current government. The country expects more from those in government. The country expects more respect. At a

national and international level, we are submerged in the biggest of shames. Since the invasion we have been involved in political struggles, but we must work for all.

As a last request, I would like to ask you to please take the time to invite in the near future to a program such as this the people who really represent the people, such as workers, transportation workers, and labor union leaders, even people like me. Why not?

[Molinar] Thank you very much, Mrs. Corro. Mr. Arias Calderon?

[Arias Calderon] The great shame in our country, the biggest damage done to our country, was done by Noriega's dictatorship. It was a dark 21-year period. It destroyed all institutions in the country. It led to the worst socioeconomic crisis in the country. It endangered the Panamanian soul. The military action was a trauma, but it was a trauma that was caused by the dictatorship. He who denies that is frankly not telling the entire truth. There is another issue, however, in which I agree with the person who spoke. I have said it many times. It is one of the important issues in what has been called the recent political crisis. The crisis can be politically expressed, but there are more important issues, Lucy. There is a social debt here. The position adopted by the PDC and myself, as its spokesman, is that we have to face both debts at once: the financial debt, and also the social debt. I will tell you why.

[Molinar] The country would simply collapse.

[Arias Calderon] Not only will the country collapse if we do not deal with the social debt, but we will be making the poor pay for the funds that were stolen by the dictatorship.

[Molinar] Ricardo, how is that going to be done in the future if there is no trust among those in government, if the president does not trust the vice president and if there is no harmonious relationship among those in government?

[Arias Calderon] I believe the lack of trust has emerged because some of the deep problems—the concept of the social debt and how to balance the satisfaction of the social needs with the financial realities—have not been sufficiently discussed and we all have not reached sufficiently well-balanced agreements. I do not believe in the theory that the so-called political crisis is a simple game of political interests. There is some of that because human nature is like that, but at the bottom of the problem there are some discrepancies that we must overcome—for example, dealing with the financial debt and the social debt.

[Molinar] How are we able to reach an agreement between you, the comptroller general, which we have seen is a key figure in this situation because he has spoken about the need to deal with the financial debt, and the president, who is saying he does not trust those who surround him? We all know these problems are real, but how can we deal with them?

[Arias Calderon] I believe the way we can deal with them is by talking. I do not believe in axes or fists. I believe in words, which is the most human of things.

[Molinar] Then I must reach the conclusion that there has been no sincere and frank talk among all of you. I can tell you, gentlemen, please talk so that next week, or whenever, you can tell the country: Do not lose hope because we are going to come back and attempt to fight together for Panama.

[Arias Calderon] Lucy, I think we should talk. In a presidential system, the president of the Republic has the last word. That is why in the PDC response refuting the charges that it had imported weapons, we proposed very frankly and respectfully that the president should speak loud and clear. It will be up to the rest of us to either accept or reject his words.

[Molinar] Then what can we do, Mr. President? I know the president is watching us because I know he is watching us. Mr. President, concerning the decision you have announced you will make because it must be made, please, for the welfare of the country—perhaps I am a little too sentimental, but it is because it hurts me a great deal—for the welfare of the country, Mr. President and Ricardo Arias Calderon, who is beside me, please sit down and talk. Will the alliance be maintained, Ricardo?

[Arias Calderon] That is what we want. I will tell you what the road is because I want to be loud and clear, like the name of your program, Lucy. You gave it that name because it is a reflection of you. That is why when you invite us, you encourage us to speak out loud and clear. The PDC's policy is very clear: to struggle and work for democracy and give the people a better way of living, placing emphasis on the poorest people. We want to do this in the government and share the responsibility with the other members of the alliance because we feel we are committed to those who voted for us. If, God forbid, we cannot do it, we would take the other course that democracy offers, the opposition. Nevertheless, we would rather work with President Endara in the government.

[Molinar] In a few words, why have we reached this point? Is it because of personal ambitions? What is the reason? This is a question asked by someone on the telephone, which we cannot put on the air because we are running out of time.

[Arias Calderon] I think there are two factors, and I must make them known from my viewpoint, admitting there may be other reasons because no one has the absolute truth in these evaluations. I believe there have been groups within the government, which, for various reasons, want the PDC out of the government.

[Molinar] You agree with Mr. Guillermo Cochez?

[Arias Calderon] On that topic, I do agree.

[Molinar] How about the comptroller general?

[Arias Calderon] I believe he has played a role in that and I must say it frankly. I would not have brought up that topic myself, but you asked me about it.

[Molinar] I asked you about it and I will assume the responsibility for asking you about it.

[Arias Calderon] I want to say this, Lucy. One of the factors is that our concept of the country's welfare, our idea of a very intense social commitment with the poor, and our insistence on a certain style of engaging in politics is different from other outlooks and other styles, but in addition, I believe it is very important...

[Molinar, interrupting] I only want you to tell me something. You are telling me you have a different outlook. Do you think you can continue ruling together like that?

[Arias Calderon] We can reach agreements. Democracy is the system in which persons with different styles of living and different concepts nonetheless reach agreements for the benefit of the people.

[Molinar] Then I challenge you, the comptroller general, and the president to talk, and let us hope that, for the sake of Panama, you end up hugging and kissing, or if you choose never to look at each other again, then someone should take over the reins and work to solve our problems.

[Arias Calderon] I want to point out that in this crisis, in addition to these political problems that I have identified from my own point of view, there have been other very deep political problems. I feel the deepest problem is how to reach a balance between the manner of coping with the financial debt and the manner of coping with the social debt.

I want to tell you about an experience. To go to San Miguelito [large, poor district on the outskirts of Panama City] is to absorb the reality of San Miguelito: the reality of stinking, open sewers; the reality of homes that are called houses merely because they have a roof; the reality of schools, which barely deserve to be called schools, for poor children who want to be someone, who want to have a better future; the reality of health centers where there are not enough medicines; and the reality of unemployment, the dramatic situation of men and women who are unable to earn a living on their own. If one could experience that reality, one would know what to do with the financial debt. It is not a matter of not paying the financial debt. It has to be paid because we are responsible, but it has to be paid in such a manner, or rather we have to reach agreements, so that resources will be left for answering the needs of the poor people.

[Molinar] I would like to believe that everyone in Panama hopes that our internal and external debts are paid. I would like to believe that everyone in Panama wants our country to make progress, and because I would like to believe that everyone in Panama has the same concerns you have just mentioned, I would like to have someone here next Saturday who would tell me, and not just me, but everyone who is watching me: Lucy, we have reached a happy arrangement, and we are going to move the country ahead because we need it, cost what it may.

[Arias Calderon] Lucy, we have to bear other things in mind. Sometimes persons do not understand this when they watch political conflicts. When one has been in political life for many years and has a political mind, one has the desire to put up with things. One puts up with the insults, and in my case, without answering with more insults. One puts up with the tensions, the risks, and the crises, and does not allow his values to sink, regardless. In spite of this crisis, to me Guillermo Endara is a friend, even if—God forbid—we had to reach the serious conclusion that we are not wanted in the government. For the sake of the will of the voters, and for the sake of what the PDC represents in the Legislative Assembly with 28 legislators—more than half of the civic legislators—if we had to move into the opposition, my friendship with Guillermo Endara would still continue.

[Molinar] Thank you for participating in our program. We have just run out of time. As a matter of fact, we ran out of time a long time ago. Thank you, Ricardo, for being with us.

And Mr. President: Thank you for watching our program, and we hope that soon, as soon as possible—because we have problems with the IRHE [Institute of Hydraulic Resources and Electrification], the IDAAN [National Water and Sanitation Institute], and the CSS [Social Security Fund], as well as other problems we have not covered here—we will have solved the political problems of the country so that finally we will be able to give social answers, which is what all Panamanians want.

We will be looking forward to next Saturday. Thank you for your time. Next Saturday, we will talk loud and clear about other interesting problems.

Presidential Adviser on Need To Follow Policy

PA0604013891 Panama City Telemetro Television in Spanish 2300 GMT 5 Apr 91

[Text] Arnulfist presidential adviser Antonio Dominguez said today that whoever wants to work in this government will have to follow the president's policies. He said this when he commented on the Christian Democratic Party's threat to leave the government. Let us listen to what he said:

[Begin recording] [Unidentified reporter] Is the ADOC [Civic Democratic Opposition Alliance] breakup a fact?

[Dominguez] This depends on the people who make the decisions. However, I insist that the government is one, that the one who governs is one—the President of the Republic—and that whoever does not want to accept the way he governs the country will have to get out of the boat.

[Reporter] How long will the Panamanian people have to carry this burden. We have waited for so long....

[Dominguez, interrupting] What burden?

[Reporter] The burden of not having jobs or anything else.

[Dominguez] Political conflicts are natural in any democracy.

[Reporter] But they negatively affect the people.

[Dominguez] What did you say?

[Reporter] They affect the people.

[Dominguez] In what sense?

[Reporter] In all senses.

[Dominguez] Look, conflicts can negatively affect the people only if the people in the government fight but do not support the government. The people who do not want to support the government have to leave.

[Reporter] Everbody would leave?

[Dominguez] I do not know; it depends on all of you.

[Reporter] Do you believe that the government is throwing up a smokescreen to make us forget Panama's many problems?

[Dominguez] President Endara does not throw smokescreens. He is a truthful man. Others might want to throw smokescreens but not him.

[Reporter] Are the Arnulfists prepared to govern alone?

[Dominguez] I have answered this before. Nobody is indispensable in this country. This country was governed by persons who did not have the ability to govern it for 21 years and look where they took it. Why are we concerned about whether we can or cannot govern now that we have people capable of governing.

[Reporter] [Word indistinct] fighting for political spaces.

[Dominguez] That is ambition....

[Reporter, interrupting] Whose ambition?

[Dominguez] You are journalists and you know who is ambitious.

[Reporter] Mention a person.

[Dominguez] I will not mention anybody, but you are intelligent enough, you know who the ambitious ones are.

[Reporter] But mention one.

[Dominguez] I am not going to be the cause of a breakup. [end recording]

Christian Democrats Urge Endara To Solve Crisis

PA0804022691 Panama City Circuito RPC Television in Spanish 0033 GMT 8 Apr 91

[Statement issued by the Christian Democratic Party (PDC) in Panama City on 7 April, read by Ricardo Arias Calderon, first vice president and PDC president—recorded]

[Text] The entire country is still waiting for the president to clearly state how he plans to resolve the government's serious political crisis. There is anguish in the country and we must therefore restate our position. The president must make a clear proposal so that the parties that are members of the alliance [Civic Opposition Democratic Alliance—ADOC], among them the Christian Democratic Party [PDC] can also respond clearly.

I can tell you in advance that our response will bear in mind certain criteria that, in our opinion, are critical aspects of this crisis, and not superficial ones. I will mention three of these criteria.

Our response will depend on whether we perceive that we have overcome the distrust created by the unacceptable complaints leveled against the PDC, which went so far as to state that we were participants in—or that we prepared—a coup d'etat and that we imported weapons. It is impossible to govern jointly in an atmosphere where such a high degree of distrust prevails. Our response, therefore, will depend, among other things, on whether or not we perceive that this degree of very serious and unjustified distrust has been overcome.

Our response will also bear one other criterion in mind; namely, if in executing the budget it will be possible to establish within its limits and in strict compliance with the entire budget—which is a law of the Republic—the necessary balance between financial discipline and answers to the urgent social needs of our people, who are pleading to heaven for answers. In our opinion, as of now this balance does not exist in the budget's execution, and it must be established. With regard to the answer that we are awaiting from the president, we will also take into consideration whether or not he includes truly positive points concerning this issue.

A third criterion that will shape our very clear answer to what we expect will be a very clear proposal from the president, involves the role of the Attorney General's Office in matters pertaining to justice. We believe that all of the members of ADOC have the political resolve to promote the changes that are necessary, that are still necessary, that are now more necessary than ever, within the Attorney General's Office, so that the people can trust that justice will be done.

There are other deep-seated problems, but these are three of the most important and the three that the PDC will keep in mind when it clearly responds to what it expects will also be a very clear proposal by the president, one we hope will come quickly for the country's

good. Panama cannot wait any longer in a state of uncertainty that is equal to a paralysis in the government. Thank you very much. [applause]

'Official Source' on Possible Cabinet Changes

PA0704182091 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Apr 91 pp A-1, A-18

[Report by James Aparicio]

[Excerpt] [passage omitted] An official source, who chose to remain anonymous, has told LA ESTRELLA DE PANAMA that President Endara might announce cabinet changes as early as tomorrow. The changes will affect the Ministries of Health, Public Works and Housing, but not the Government and Justice Ministry.

The Government and Justice Ministry controls the Public Force and the Judicial Technical Police and is responsible for the country's demilitarization policy.

According to the same source, Arias [Calderon] will not be removed from his post to assess "his reaction" to the decreased participation of the PDC [Christian Democratic Party] in the government.

Asked about his departure from the Government and Justice Ministry, Arias replied that the post "is at the disposal" of the president and noted that if his party chooses the path of opposition, he will continue to be a personal friend of President Endara.

The PDC has representatives in five ministries, 29 legislative seats, the majority of representatives in corregimientos, and heads a considerable number of municipalities and governorships throughout the country.

Endara's Arnulfist Party asked the PDC on 5 April to carry out its threat to go into opposition so that people "with loyalty" could govern.

Endara, however, has avoided announcing a break with the PDC, which announced that it will remain in the alliance "by the people's mandate," unless the president throws them out of the presidential palace.

Ford Places Molirena Posts at Endara's Disposal

PA0704025791 Mexico City NOTIMEX in Spanish 0142 GMT 7 Apr 91

[Text] Panama City, 6 Apr (NOTIMEX)—Guillermo Ford, second vice president of Panama and planning and economic policy minister, said today that he has placed his post as minister and all the posts of his political group at the president's disposal.

Ford said that he has not resigned from the government and he has no intention of joining the opposition. He explained that the fact he is placing the posts that Molirena [Nationalist Liberal Republican Movement] has in the current government at the disposal of President Guillermo Endara is "for the sake of the ruling alliance's unity."

The second vice president noted that the important thing for Molirena is not the ministries or the government posts, but "to work for a government plan that can resolve the different problems in the country."

Ford said he was concerned about the political crisis that is adversely affecting the government, especially the recent confrontations between Endara's Arnulfist Party and the Christian Democratic Party [PDC], led by First Vice President Ricardo Arias Calderon.

The official refrained from making comments on Arias Calderon's position in the cabinet, saying only that "he hoped everything could be resolved."

Of the triumvirate that rules Panama (Endara, Arias Calderon, and Ford), it has been Ford who has been the most prudent in the public debates during the last 30 days of the crisis and the one who has always made calls for national reconciliation.

Political analysts believe that Ford's act of placing his ministry and the other Molirena-held posts in the government at Endara's disposal means imminent cabinet changes should be expected for next week.

Political and media sectors did not rule out that Arias Calderon has also placed the PDC posts at the president's disposal so that Endara himself can take the initiative to change his cabinet.

Sources close to the Presidency reported yesterday that both vice presidents had resigned from their posts; however, Ford's statements "on placing posts at the president's disposal" were actually a diplomatic way of letting the president settle the situation.

"The government alliance as such will not be broken if we take into account the agreement reached by the ruling parties today, but cabinet changes are a reality and will be the result of a political negotiation," according to a Latin American diplomat [not further identified].

Endara Says Decision Will Be Announced 'Soon'

PA0704193791 Panama City Telemetro Television in Spanish 1850 GMT 7 Apr 91

["Special report" on news conference by President Guillermo Endara with local reporters in Panama City—live; monitored in progress]

[Text] [Endara] ...soon I will soon announce that decision publicly. I am thinking a great deal about this.

[Lucy Molinar] Tension hightens a little more as time passes by.

[Endara] I believe the people will thank me for being very prudent and very careful in making my decisions. I also believe that being hasty is not... [changes thought] This is no time for hastiness.

[Molinar] Are you taking into account the fact that if you do not rule with the Christian Democratic Party....

[Unidentified reporter, interrupting] How is the government right now? Is it strong or is there....

[Endara, interrupting] Sure, the government is normal, it is normal; I do not see anything wrong. There is a political crisis among the government parties, but aside from this crisis, everything is normal.

[Reporter] Mr. President, could this reflection lead to a reshuffling of the cabinet?

[Endara] I am thinking that over, I am thinking that over.

[Reporter] Second Vice President Ford pointed out that you were chosen to be the government, not the opposition.

[Endara] That is true. We went to the elections to become the government, but differences with a certain party have emerged. We must make decisions, and I am thinking them over very carefully.

[Molinar] When will be hear about them?

[Endara] I cannot say.

[Reporter] Colin Powell visited Panama yesterday. Did he meet with you?

[Endara] He will return, and I can tell you that he will visit me.

[Reporter] Mr. President, as for the presence of Carlos Rodriguez [former vice presidential candidate in 1984 on ticket that included Arnulfo Arias and Ricardo Arias Calderon] in Panama, did you have an opportunity to meet with him?

[Endara] I sure did. I asked him, in view of the great trust that many people, politicians, and groups here in Panama have in him, to come here to help me face this crisis by advising me and meeting with other people to find out what they think. He is (?doing just that).

[Molinar] Will the alliance be maintained?

[Endara] That is what I am thinking about now. I am thinking this over carefully and seriously.

Ford Interviewed on Consultations With Endara

PA0804014991 Panama City Circuito RPC Television in Spanish 0040 GMT 8 Apr 91

[Interview with Second Vice President Guillermo Ford by unidentified reporter after a meeting with President Endara, outside the presidential palace in Panama City on 7 April—recorded]

[Text] [Ford] The president of the Republic has informed the Molirena [Nationalist Liberal Republican Movement] president and myslef that he held a number of meetings today for consultation and to ask opinions. Indeed, he asked us for our opinion on a number of topics because he is about to make certain decisions, as he announced on Friday. It would simply be an act of disrespect on my part to share with you the decisions that he is about to make, because he has not yet reached a final decision. He called upon us for consultation and advice.

[Reporter] Is it true that names are being mentioned?

[Ford] I am not going to go into those details, and I repeat that the president deserves the respect of being allowed to personally announce the final measures he plans to take.

[Reporter] Has any minister being asked to resign?

[Ford] He has not asked me about anyone's resignation.

[Reporter] Does this decision specifically refer to a change in the cabinet?

[Ford] No. I repeat that we have not entered into specific details. The president is asking for advice with respect to the problems that have emerged. I repeat that he will make the announcement himself once he reaches a decision. I think this will take place tomorrow.

[Reporter] Do you believe there should be a cabinet change?

[Ford] I have always said that I hope everything will be maintained as is, but the president of the Republic is constitutionally in charge, and it will be up to him to make the announcement tomorrow.

[Reporter] What is the main problem that the president is considering?

[Ford] Well, you are aware of it. Unfortunately, there have been a number of conflicts, very strong disagreements [within the governing alliance]. I have always called for the alliance to be maintained, but I repeat that the Constitution empowers the president of the Republic to appoint and dismiss all executive branch officials.

[Reporter] Has there been some distancing of the Christian Democratic Party [PDC] members from the Presidential Palace?

[Ford] I do not know. Remember that I have been away for two days. However, he called me in for consultation. I repeat that I cannot add anything else. To do so would be to show disrespect for the president of the Republic, and I am sure he will provide you with more information tomorrow.

[Reporter] Will the PDC be left out of the alliance?

[Ford] I do not know. I repeat that I have no details. He is going to make a decision. He is carrying out consultations. He has not informed me of his decision, so I would be lying to you if I said....

[Reporter, interrupting] Would you be willing to leave the post of minister?

[Ford] I have always said that the president of the Republic is my boss, and whenever he asks me to resign from that post, I will do so immediately, because it has always been at his disposal. Thank you.

[Reporter] What is Molirena's position on this?

[Ford] We were elected by the Panamanian people to be in the government, not in the opposition.

[Panama City Circuito RPC Radio in Spanish at 0040 GMT on 8 April cites Hector Penalba, secretary general of President Endara's Arnulfist Party, as having said that President Endara's decision regarding possible changes in the cabinet will be announced "within the next 48 hours."]

LA PRENSA Director Declines Cabinet Position

PA0704235891 Panama City Radio KW Continente in Spanish 2331 GMT 7 Apr 91

[Report by Homero Londono from the presidential palace in Panama City—live]

[Text] We can inform you, listeners, that we were told that Roberto Eisenmann, director and president of LA PRENSA newspaper, was proposed by the president of the Republic for the post of minister of government and justice. However, Eisenmann himself reportedly said that he did not accept the offer.

Thus, friends, the suspense continues here at the presidential palace, where President Guillermo Endara Galimany is meeting with prominent members of the Arnulfist Party. Planning and Economic Policy Minister Guillermo Ford and Labor Minister Jorge Ruben Rosas have just arrived here at the palace.

Foreign Minister Denies Intention To Resign

PA0604164791 Panama City LA PRENSA in Spanish 6 Apr 91 p 12A

[Article by Manuel Alvarez Cedeno]

[Text] Panamanian Foreign Minister Julio Linares has denied any and all intentions of resigning his office. Jose Alvarez, president of the National Bar Association, has requested that the foreign minister resign because he is studying the possibility of signing a treaty with the United States. According to the Panamanian lawyer, that treaty hurts Panama's interests.

"The day we have a treaty that I believe hurts Panama's interests, I will be the first one to resign without anyone asking me to do so," Linares said.

Panama and the United States are negotiating a Mutual Legal Assistance Agreement (MLAA). Through the MLAA the two countries promise to fight the "laundering" of profits from international drug trafficking.

Linares said that he is surprised by the fact that Alvarez has stated his opinion on a treaty that he does not know and reiterated that the MLAA must be approved by the Legislative Assembly.

On another topic, the Panamanian diplomat was questioned about Panama's image abroad after the partisan fights within the government coalition. Linares said that the country's image is not the exclusive duty of the government or the foreign ministry, but of all Panamanians.

"No matter how magnificent our ambassadors are or how many resources we use to give Panama a positive image, any country's image abroad is only a reflection of the image it has in its own territory," Linares said.

Linares asked himself: "Are we Panamanians doing enough to move the country along the path of progress; I think not."

"What we have inside is nothing to be proud of," said the foreign minister, hinting at the partisan political tensions which have put the government alliance on the verge of falling apart.

Security Director Bares on Reported Arms Purchase

PA0504160191 Panama City Radio KW Continente in Spanish 1215 GMT 5 Apr 91

[Text] The Presidency buys weapons to protect the president while the people are in dire need. Institutional Security Service Director Carlos Bares has denied that the arms of the old UESAT [Special Anti-Terrorism Unit] are now in the hands of the Presidency.

[Begin recording] [Bares] The police most likely have those arms now. You will recall that at the time of the Colonel Herrera affair, there was confusion with regard to which arms the police had and which they did not have.

[Unidentified reporter] Francisco Herrera has reported that he handed over the weapons to the Security Service and that your people collected them from the police and took them to the Presidency, but that they were not returned to the police.

[Bares] All were returned to the police. There are documents showing both when the arms were received and when I returned them.

[Reporter] What about the purchase of arms at the border?

[Bares] That is completely incorrect. There has been no such purchase of arms at the border.

[Reporter] Why then have there been rumors that arms are being taken to the presidential palace?

[Bares] As you said, those are rumors. Let those who spread them confirm them.

[Reporter] What about the purchase of arms from Israel?

[Bares] Yes, we have purchased arms from Israel for the protection of the president and other officials.

[Reporter] How many weapons have been purchased?

[Bares] Very few. A few Uzi submachine guns. It is a matter of security and protection. Arms of this kind are carried by all police organizations. Police Director Dr. Asvat has such weapons. So does Arias Calderon, who has several Uzi's in his car.

[Reporter] The Christian Democratic Party [PDC] said today that if body searches of the ministers had been ordered, the ministers should have been told.

[Bares] No such order has been given. There has been a misunderstanding with Dr. Arias Calderon. We talked this over, the Presidency issued a communique, and Arias Calderon agreed with it.

[Reporter] It has been said in PDC circles that you would be asked to step down as head of security at the presidential palace.

[Bares] I am not sure whether they have the authority to demand that the president fire me. I do not believe they have. [end recording]

Housing Minister Comments

PA0604145691 Panama City Radio KW Continente in Spanish 1221 GMT 6 Apr 91

[Report on interview with Housing Minister Raul Figueroa by Jenny Lee Martinez; place and date not given—passages in quotation marks are recorded]

[Text] In commenting on the charges issued by the president of the Repulic, Housing Minister Raul Figueroa has said that weapons cannot be purchased without the approval of the comptrollership general. President Guillermo Endara said that the Christian Democratic Party [PDC] was purchasing weapons. Endara showed the media a Housing Ministry document requesting a large amount of weapons for the ministry.

The housing minister, who is also a member of the PDC, said:

[Begin recording] [Lee Martinez] The document does exists and it lists a large amount of weapons requested by the housing ministry's security director. Now then....

[Figueroa, interrupting] First of all, no one is authorized to issue Housing Ministry correspondence, except regional directorates, the vice minister, or the minister. The person you mention is not authorized to issue correspondence. The government has to bear that in mind and adopt the disciplinary measures listed in our regulations.

[Lee Martinez] That....

[Figueroa, interrupting] Like I said, we have consulted some people and the comptrollership general's audit office, and the comptrollership general, itself, and they have given us recommendations on how to solve the problem.

[Lee Martinez] Talking about that, I wanted to ask you: Does the comptrollership general keep a record of the requests submitted by the ministries? Why did it not report that weapons were being purchased, if it was true?

[Figueroa] Of course, this is not a matter involving weapons. The weapons have to be paid for with money. I find it difficult to get money to build a house, so it will be more difficult to get money for weapons. However, it is necessary.... [changes thought] This was consulted with the comptroller general's auditors. A person who has no right to issue letters requested a price list without our authorization. He used paper with the Housing Ministry's letterhead. I have asked the Housing Ministry's administrative authorities to undertake disciplinary measures, if the regulations decree this.

However, I reject anything having to do with weapons, even to protect our own officials, who are somewhat scared about transferring money through the agencies which have to take it to the National Bank. The officials have reported many times that they are being followed. The comptrollership general's audit department endorses our decision on the issue, but the letter was not duly authorized.

[Lee Martinez] How would you describe the attitude of Presidency members who gave the document to the president, and the president's decision to show it to the media, thereby accusing the PDC of purchasing weapons?

[Figueroa] First of all, no weapons—nothing, as a matter of fact—can be purchased without the comptrollership general's approval, and after the legal aspects of the national budget have been attended to. In addition, I reject anything having to do with weapons. My weapon, like I said this morning, has recently been a small white handkerchief, and, for more than 27 years, a small green flag. That is the only thing I have used.

I am not capable of using a slingshot. If someone talks to me about caliber, the best caliber that I used with my slingshot were smooth river pebbles. Those are the best. I know nothing else about weapons.

[Lee Martinez] Consequently, do you deny the charges? Do you think that the president's charges are groundless?

[Figueroa] The statement about the letter.... [changes thought] The letter requesting a price list does exist, but that is not an official order. Like I said, we have authorized administrative.... [changes thought] These cases occur within the administration's daily activities and administrative measures had to be adopted.

[Lee Martinez] You learned about this today?

[Figueroa] Yes, I learned about this unauthorized correspondence today, better yet, yesterday, last night. I insist

that the proper evidence and testimonies are available. We are talking about a request for a price list, and it was not authorized. [end recording]

Endara Accused of Money Laundering by PRD

President's Law Firm Named

PA0504185991 Panama City LA ESTRELLA DE PANAMA in Spanish 5 Apr 91 pp 1, A2

[Report by Hermes Sucre Serrano]

[Text] The Honorable Legislator Gerardo Gonzalez, president of the PRD [Democratic Revolutionary Party], has announced at the Legislative Assembly that approximately 33 companies registered in Panama, 22 of which are represented by the law firm of President Guillermo Endara and his partner Hernan Delgado, have been accused by the DEA of allegedly laundering money that has resulted from drug trafficking.

Gonzalez explained that in a sworn statement, DEA agent Ivette Torres, who is assigned to the U.S. Embassy in Panama, said that an examination of available records has shown that the companies had been registered in Panama under the name of an organization headed by drug traffickers Salvador Magluta and Augusto Falcon and were used to launder money that resulted from the sale of drugs.

Agent Torres said that Falcon and Magluta are major drug traffickers and leaders of an organization that imports cocaine for distribution in southern Florida. Both have been sentenced for the sale of cocaine based on the testimony of 35 of the 40 witnesses who have been interviewed.

The information supplied by the witnesses shows that Magluta and Falcon began trafficking drugs to the United States in late 1970, and there is proof that they have imported over 1,000 kg of cocaine per month to the United States.

In October 1985, Augusto Falcon and Salvador Magluta were arrested in Los Angeles, along with nine other individuals, in connection with the illegal trafficking of drugs. Agent Torres reports that as a result of their arrest [the authorities] obtained a book that contained information indicating that over $30 million from drug trafficking had been accumulated in three months by the Los Angeles branch of the Falcon-Magluta organization.

Falcon and Magluta are currently fugitives from the law, and Torres says that an investigation into the organization's finances has revealed that approximately 150 foreign and American corporations have been formed on behalf of the Falcon-Magluta cartel for the purpose of concealing the profits of their illicit drug trade. Several of these corporations were formed in Panama.

Legislator Gerardo Gonzalez attempted to disclose the DEA agent's statement to the Legislative Assembly, but the president of the Assembly prevented him from doing so. Gonzalez later told hundreds of reporters who had gathered at the Legislative Assembly that he would present the DEA's accusations to an ad hoc commission created by the Assembly in April 1990 to investigate crimes involving drug trafficking.

Ivette Torres stated: "Based on the information and documents collected by the DEA, the bank accounts of Hassid Enterprises, Inc.; Enterprises Ramadan, Inc.; Motores Marinos de Panama, S.A.; Copan Marine Services, Inc.; Southern Farms; and Pilea, S.A. have existed and currently exist in several banks in Panama, including Banco General on Avenida Cuba; Banco de Colombia-Panama; Union de Bancos Suizos; Banque Sudameris; Banco Aleman; Banco Bonaico; Primer Banco de Ahorros; and Banco del Istmo."

At the conclusion of her sworn statement, Ivette Torres points out that "based on the aforementioned facts and based on my knowledge and experience as a special DEA agent, my opinion is that all of the funds in any account held by Hassid Enterprises, Inc.; Enterprises Ramadan, Inc.; Motores Marinos de Panama, S.A.; Copan Marine Services, Inc.; Southern Farms, Inc.; and Pilea S.A. in local banks are the result of drug trafficking and money laundering by the Falcon-Magluta organization."

Legislator Leo Gonzalez, chairman of the ad hoc drug commission, said last night that the sworn statement may be sent to the Attorney General's Office for interpretation.

We will now publish the list of companies registered in Panama, which, according to the DEA, are linked to the Falcon-Magluta cartel's money laundering operations.

Copan Marine Services, Inc.
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Pilea S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

J.M.T. Enterprises, Inc.
Director-President: Jose Tellechea
Director-Vice President: Ana Maria de Tellechea
Director-Treasurer: Hernan Delgado
Resident Agent: Solis, Endara, Delgado, and Guevara

Duva Intercontinental, S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Bazan
Director-Treasurer: Viveka Giroldi de Ruiz
Resident Agent: Solis, Endara, and Delgado

Logan & Hogan Securities Corporation
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Bazan

Director-Treasurer: Cesar Guevara Q.
Resident Agent: Solis, Endara, Delgado, and Guevara

Southern Farms, Inc.
Director-President: Hernan Delgado
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Inversiones Trevi S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Dinka Enterprises
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Bazan
Director-Treasurer: Viveka Giroldi de Ruiz
Resident Agent: Solis, Endara, and Delgado

Rolca Enterprises S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Bazan
Director-Treasurer: Viveka Giroldi de Ruiz
Resident Agent: Solis, Endara, and Delgado

Kadin Investments, Inc.
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Bazan
Director-Treasurer: Cesar Guevara Q.
Resident Agent: Solis, Endara, Delgado, and Guevara

Naviera Sakal, S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Ruiz
Director-Treasurer: Viveka Giroldi de Ruiz
Resident Agent: Solis, Endara, and Delgado

Fanesca Corporation
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Sahook Shipping Corporation
Director-President: Hernan Delgado Q.
Director-Secretary: Lydia Navarro de Bazan
Director-Treasurer: Viveka Giroldi de Ruiz
Resident Agent: Solis, Endara, and Delgado

Ariola Cia. Financiera S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Enterprises Ramadan, Inc.
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Inversiones Turbo S.A.
Director-President: Hernan Delgado Q.
Director-Secretary: Cesar Guevara Q.
Director-Treasurer: Guillermo Endara Galimany
Resident Agent: Solis, Endara, and Delgado

Riyad Corporation
Director-President: Victor Castillo
Director-Secretary: Ruben Vega
Director-Treasurer: Javier Gonzalez

All of them at the address of Dontin Building, Second Floor, Cuba Avenue.

Resident Agent: Victor Castillo

R.L. [Legal Representative] President [as published]

Endara's Partner Refutes Charges

PA0504194891 Panama City Radio Ancon in Spanish 1748 GMT 5 Apr 91

[Text] During his participation in this station's "The Protagonists" program today, Hernan Delgado, representing the Solis, Endara, and Delgado law firm [President Guillermo Endara's firm], commented on the charges made by [Democratic Revolutionary Party legislator] Gerardo Gonzalez.

[Begin Delgado recording] Gerardo Gonzalez' statement is nothing but one more of the many attacks on President Guillermo Endara and the legal firm that Dr. Galileo Solis, Guillermo Endara, and myself founded. In January 1989, Guillermo Endara asked for a leave of absence from the firm, so he is currently not involved in the firm.

The public must remember that as soon as Guillermo Endara took office on 20 December 1989, he and his most immediate aides became the targets of a number of insults, slander, libel, and defamations. Their objective has been to weaken his friends and aides with the subsequent goal of directly hitting the president. I thought the phase of attacks on his aides had been overcome. I thought the phase of questioning the actions of the Solis, Endara, Delgado, and Guevara firm had been overcome. I thought the phase of attacks on myself had been overcome. Everyone remembers that this campaign began as soon as Endara took office. It began with a public letter that was published 28 to 40 times in some newspapers. It also began with a series of leaflets that were sent through the fax machines of offices around the country. The letter sought to discredit me and to ignore my record as an upright man who has struggled throughout his life, especially as a professional. Not satisfied with that campaign of slanderous leaflets, charges of influence peddling then appeared. It was said that the Solis, Endara, and Delgado firm was involved in influence peddling. My name was specifically mentioned. In my appearance here today, I once and for all want to state to the public that our legal firm has never been involved in influence peddling and it is not its practice do such a thing.

Unfortunately, there are useful idiots who play a role in this country. That is the role currently being played by Gerardo Gonzalez, who has lent himself to make a charge which lacks any seriousness and grounds. I will show this here today. He is trying to undermine a person who really belongs to the most humble social sectors of this country. If I now hold an adequate social and economic position, it is because of my hard-working spirit. I have not been given anything. I did not become a lawyer on 20 December when Endara became president. I have been a well-known lawyer here and abroad for many years. I have constantly struggled for the improvement of lawyers and for the strengthening of the democratic institutions in this country. I also struggled against the Manuel Antonio Noriega dictatorship and I struggled against dictatorships in general. I was constantly struggling. I was jailed. I lived in exile. My office was raided dozens of times. I have unconditionally cooperated in everything that involves the country's democratic reorganization.

Beginning today, I am determined to fight in all public forums. I will not continue to remain silent and be an accomplice to the groundless charges made against me under the pretext that if I said something I could affect the president's image. I believe that such conduct is not in keeping with my personality.

We have the case of the famous charge presented by Gerardo Gonzalez on 4 April. Gerardo Gonzalez obtained a sworn statement by a U.S. Embassy official. That sworn statement, which by the way is not signed and we do not know whether it is authentic, makes specific charges against U.S. citizens Salvador Magluta and Augusto Falcon. Nowhere in the 13 pages of the U.S. Embassy official's statement is the firm of Solis, Endara, and Delgado mentioned. Nowhere does it mention Guillermo Endara or Hernan Delgado. [end recording]

Arias Calderon Incident at Presidency Discussed

Metal Detector Search Alleged

PA0504205591 Panama City LA PRENSA in Spanish 4 Apr 91 p 1

[Report by Elkilia Santos]

[Text] Agents of the Presidency's Institutional Protection Service (SPI) ordered Ricardo Arias Calderon, first vice president and government and justice minister, to pass through the building's metal detector and disarmed his bodyguards.

Independent witnesses, including several journalists, were surprised by the action, which occurred when Arias Calderon arrived at the Presidential Palace of the Herons to participate in a cabinet meeting.

This anti-terrorism measure is normal in all countries, including Panama, to prevent "hotheads," as President Guillermo Endara has said, from carrying out an attack on government officials and buildings.

Nevertheless, this seems to be the first time that a minister and his bodyguards were forced to pass through the metal detector.

A high-level Christian Democratic Party [PDC] source told LA PRENSA that the party will demand "an explanation of this outrage" against the country's first vice president.

"If the order was issued by Julio Harris as minister of the Presidency or by Carlos Bares as SPI director, they must be removed from their posts," the source said.

Now then, "if the order was issued by Endara, he should publicly apologize for this outrage against the PDC leader," the source emphatically stated.

In the last few days, Endara's Arnulfist Party and the PDC have been involved in serious disputes which have begun to undermine the foundations of the government coalition.

The situation has reached such a point that Second Vice President Guillermo Ford has announced that on behalf of harmony in the government, his party, the Molirena [Nationalist Liberal Republican Movement], is willing to give up some public posts.

President Endara's wife, Ana Mae Diaz, has not retracted her harsh charges against the PDC which, she said, is planning a coup d'etat.

Instead of retracting her remarks, she described Arias Calderon as "arrogant and unbalanced."

In an effort to maintain unity in the ruling coalition, the Civic Crusade has urgently called on the parties of the alliance to meet and smooth things over and to get the country out of the impasse in which it finds itself 15 months after the end of more than two decades of dictatorship.

Presidency Issues Communique

PA0504142091 Panama City Circuito RPC Television in Spanish 1730 GMT 4 Apr 91

[Text] The Press Office of the Presidency today issued a communique stating that there was a misunderstanding yesterday when one of Government and Justice Minister Ricardo Arias Calderon's bodyguards passed through a metal detector at the doorway of the Presidency's main entrance.

The bodyguard is authorized to enter the Presidency in possession of weapons and was armed when he entered. As a result of this, the detector's alarm system was activated and confusion ensued.

The government and justice minister has stated that he was not the object of any kind of mistreatment and explained that seeing the situation that had emerged in connection with his bodyguard, he returned to the

doorway and, voluntarily walked through it. Journalists in front of the Presidency saw this and reported on it from their point of view.

The Press Office hereby reports that the president and the first lady regularly go through the metal detector to serve as examples of how to respect established security norms.

Witnesses Deny Search Occurred

PA0604132091 Panama City EL DIARIO INDEPENDIENTE in Spanish 5 Apr 91 pp 1, 22

[Text] Eyewitnesses have told EL DIARIO INDEPENDIENTE that Vice President Ricardo Arias Calderon has never been searched by members of the Institutional Protection System. Arias Calderon himself explained that the article by Elkilia Santos, published in LA PRENSA, is not based on facts. The article in LA PRENSA states that Arias Calderon "was forced to pass through the metal detector on 3 April and that his bodyguard was disarmed."

Our source at the Presidency told us that this is not the first time that Arias Calderon has passed through the mentioned device, however, the source noted that, given his high position, he has the option to decide whether to pass through it or not. A guard at the presidential palace said: "To demand that the government minister be searched is a stupidity that none of the experienced custodians at the Palace of the Herons would commit." The guard added that the controversial government official's bodygyard—following his instincts—stayed close to his boss. When the heavy machine gun he was carrying was detected, the alarm in the device went off.

The reporters behind the gates at the presidential palace witnessed the incident, but they were confused, because they interpreted the event as a deliberate offense in retaliation for the recent statements made by the Christian Democrats against the first lady. A mountain out of a molehill!

Legislator Says U.S. Embassy Aiding Instability

PA0604210291 Panama City EL DIARIO INDEPENDIENTE in Spanish 6 Apr 91 p 23

[Report by Josefa Cedeno]

[Text] Legislator Miguel Bush of the Democratic Revolutionary Party [PRD] has charged that the Pro-Democracy political organization led by Samuel Lewis Galindo, which calls itself a third force, is destabilizing the country in collusion with the U.S. Embassy.

Bush also said that at a meeting yesterday afternoon with the PRD leadership and its representatives in the legislature, Legislator Gerardo Gonzalez made it clear that the presentation of the list of 14 enterprises that are involved in money laundering was not intended to discredit or attack President Guillermo Endara.

According to Bush, Gonzalez sought to have an ad hoc drug committee of the Legislative Assembly begin an investigation to determine whether the list is being used as a form of U.S. pressure to get Panama to sign the Mutual Legal Assistance Agreement (MLAA) and renegotiate the Torrijos-Carter treaties.

Bush denied reports that the PRD held talks with U.S. Embassy authorities last week.

Bush said that the Pro-Democracy Group, which also includes Bobby Eisenmann, Mayin Correa, and other media directors, is the U.S. Embassy's preferred and chosen clique for destabilizing the country and establishing a puppet government that will respond to the interests of the U.S. Government, since Endara has refused to sign the MLAA and allow the U.S. military bases to remain after the year 2000. The executive branch has stated emphatically that the Torrijos-Carter treaties will not be renegotiated, Bush said.

Asked about the possibility of an alliance between the PRD and the Christian Democratic Party, Bush said the PRD has not considered this type of union. He said: "We have no alliance with any party. That would be a decision to be made by the party congress scheduled for December of next year."

Argentina

Menem 'Not Worried' About Popularity Drop

PY0804015491 Buenos Aires BUENOS AIRES HERALD in English 6 Apr 91 p 11

[Excerpt] (NA-DYN)—President Carlos Menem said yesterday that he is not worried about his drop in popularity with the public because "the votes will come and will agree with the action" of the government.

The President also affirmed he was confident that his austral-dollar convertibility plan will bring monetary stability to the economy.

Menem, who made his statements from the presidential residence in Olivos on a television programme, said: "I'm not worried about my popularity. I believe we are gaining the acceptance of the citizens with our new economic plan.

"I am trying to work for Argentina and I don't care about the attacks I have received," he added.

The President said that the country's new economic plan will bring stability to Argentina. This stability will last "all our lives, or at least until the end of this administration," he said.

The provinces, however, must make the necessary adjustments to lower their spending because the government will not come to their rescue in the future, he said.

The decision to push the economic plan through was his own, Menem said. If it doesn't work, "it will be Economy Minister Domingo Cavallo's fault, not mine."

Cavallo's economic plan, Menem said, will help to lower prices as well as inflation but is still only in the first stage. Inflation should drop to about 10 percent annually with the new plan, said the president.

"Argentine society is giving an example to the rest of the world" by its attempts to beat the crisis, said the head of state, adding that he will not pardon the "carapintadas" [Painted Faces] or military leaders responsible for the December 3 coup attempt. [passage omitted]

Menem, Duhalde Disagree on Handling of Yoma Case

PY0804020291 Buenos Aires BUENOS AIRES HERALD in English 7 Apr 91 p 4

[Excerpts] (NA-DYN)—President Carlos Menem and Vice-President Eduardo Duhalde disagreed on the attitude the government must take in relation to Presidential Audiences Secretary Amira Yoma, who is accused of forming part of a money-laundering organization connected to international drug-traffickers together with her brother Karim, her husband Ibrahim al-Ibrahim and former state official Mario Caserta.

While Duhalde stated that Amira Yoma "should resign or at least ask for a leave of absence until the case is solved," the head of state considered that his sister-in-law "is not guilty of anything until the judge reaches a decision in the case."

In an interview broadcast by ATC [Argentina Televisora Color] state television, Menem said that "neither Amira nor Karim Yoma have anything to do with the investigation" carried out by Federal Judge Maria Servini de Cubria. The President had previously defended the "honour" of the Yoma family.

For his part, Duhalde recalled a Menem speech two months ago in which the President mentioned as one of his "moral emergency" measures the need for a state official to leave when accused of a severe offence.

In related developments, Servini de Cubria questioned Mario Caserta last night, after which the Justicialist leader remained in custody and incommunicado.

Carlos Canon, Caserta's lawyer, asked for the release of his client. The judge has now 48 hours to decide on the situation of Caserta.

Yesterday Menem commented that "although Caserta is my personal friend and was on the presidential campaign with us, I will do nothing to defend him or influence the decision of the courts."

The head of state pointed out that "the honour of these people is in danger due to the irresponsible statements of a criminal." He disclosed that "both Amira and Karim had asked me not to exercise my influence in their favour in this case."

Meanwhile, the lawyers of Ibrahim visited the judge to hand her a document guaranteeing that their client is in the country and remains at "the disposal of the courts."

Servini de Cubria also received the visit of Emir Yoma, brother of the accused. The contents of their conversation were not disclosed.

In related news, the Federal Police stated that two notorious masterminds of a drug-trafficking gang were arrested in Zurich, Switzerland, following a request transmitted by the Argentine police through Interpol.

Chilean citizen Amalia Torres Moreno, 52, and Brazilian Catarino Rodriguez Cardoso could be extradited to Argentina, where they allegedly carried out drug money laundering operations. [passage omitted]

Finally, Duhalde will stage a press conference on Tuesday [9 April] to explain a drug-combatting scheme to be carried out by the Argentine, Bolivian and Paraguayan police. The three police forces will patrol their border areas to detect and capture drug-smugglers.

Duhalde Admits Possibility of Running for Governor

PY0804015291 Buenos Aires BUENOS AIRES HERALD in English 6 Apr 91 p 11

[Text] (NA-DYN)—Vice-President Eduardo Duhalde yesterday finally admitted the possibility of running for the Peronist Buenos Aires gubernatorial candidacy, less than a month after rejecting President Carlos Menem's description of him as the party's "natural candidate."

Duhalde said he was forced to weigh the candidacy because "I see we are facing electoral difficulties and my position has changed—I'm no longer giving a flat denial."

"I now have to assess what's best overall: Running as candidate or continuing to flank the President of the nation," said Duhalde, who heads the Federal League Party faction.

Duhalde also conditioned his candidacy on strong grassroots support in the province of Buenos Aires. In order to gauge his popularity, a private polling agency will conduct a special survey of some 4,000 residents and air the results before the deadline for the presentation of electoral slates at the end of the month.

Duhalde is legally entitled to run as candidate without resigning as vice-president, but would have to step down if he became governor.

Duhalde made it clear that he had not yet decided to run for the candidacy "because I want to know whether the Peronists of Buenos Aires province would prefer me to stay where I am."

"Sometimes I feel that trying to switch posts when the country is facing serious difficulties is a sort of escape which is out of place," said Duhalde.

As for the administration of current Governor Antonio Cafiero, Duhalde contended "he's been a better governor than expressed by public opinion," although "what counts, obviously, is what the people are thinking."

If Duhalde became governor, Senate provisional president Eduardo Menem could replace him provisionally until general elections were held for the post of vice-president, as provided by the Constitution.

Almost a month ago President Menem described Duhalde as the "natural candidate" of the Justicialist Party in a controversial interview with LA NACION newspaper, but the Vice President was quick to claim the President's words were "misinterpreted."

Yesterday another of the Peronist gubernatorial hopefuls, ex-agriculture secretary Felipe Sola, said "it would be an honour" to share the slate with Duhalde and run for the vice-gubernatorial post. However, pending talks with the Vice-President, Sola will continue to vie for gubernatorial candidacy.

In related news, Senator Menem yesterday said the spate of rumours on an alleged campaign to replace his brother as President were spread "by the same coup-mongers who used to call at the doors of the barracks, and now, since those doors aren't opened, they try and make up this type of scenario because they really don't believe in democracy."

Eduardo Menem also forecast that the Peronists "will keep at least the provinces they currently rule" in September's gubernatorial elections.

The Justicialist Party chairman said the party's Electoral Management would be set up this month and would include a president and secretary-general. He added that campaign strategy would be determined by the party, not his brother the President.

Eduardo Menem admitted he might become head of the Electoral Management and considered "there's no better alternative" than Duhalde for Buenos Aires governor.

Finally, the Salta Justicialist Party branch was finally normalized after 27 months of intervention yesterday, when party chairman Roberto Romero, a former governor, took office.

Civil Servant Ranks Reduced by 8,300 Since Mar 90

PY0604010791 Buenos Aires BUENOS AIRES HERALD in English 5 Apr 91 p 11

[Text] (DYN-NA)—The public payroll has been reduced by some 8,300 employees since March 1990, Public Administration Secretary Gustavo Beliz reported yesterday, saying that no further lay-offs are to be expected at the ministries of economy, labour, health, foreign affairs and the interior.

The cutback will save the government 75 million dollars in wages in the 1991 budget, Beliz said.

He said the number of departments at the five ministries had been reduced from 185 to 88 in the last year.

He said further dismissals are under consideration at the ministries of education and defence.

The government intends revamping government careers, and has upped top-level wages to between 2,000 and 2,500 dollars a month, bringing them in line with wages in the private sector, Beliz said.

In related news, Justicialist senators yesterday committed themselves to debate the government's draft law on employment reform on April 17. The pledge was made by the Justicialist bloc before Labour Minister Rodolfo Diaz during a two-hour meeting yesterday to iron out modifications to the draft bill being sought by some of the senators.

Bolivia

Supplies, Ammunition, Military Experts Arrive

PY0504182591 La Paz Radio Fides in Spanish 1100 GMT 5 Apr 91

[Text] The resolution of the National Congress that cleared the way for the entry of U.S. troops is being implemented.

A Galaxy airplane, carrying 120 tons of ammunition and—of course—weapons, arrived yesterday at the El Alto International Airport in the city of La Paz. Nine U.S. military men, reportedly all technicians, also arrived.

The 120 U.S. military men and all their mechanical equipment is scheduled for the next few days.

We must remember that the arrival of 50 carpenters, electricians, and plumbers who will be involved in the civic action work in various coca producing zones has been foreseen. A total of 84 experts from all services will reportedly arrive for the computerized technical exercises. The military medical assistance will reportedly be supported by 55 to 60 doctors, dentists, and veterinarians.

It is appropriate to point out that the U.S. Government, through its Armed Forces, will donate the following equipment for the work in our country: nine Caterpillar tractors, eight road graders, eight trailer [preceding word in English] trucks, 29 trucks, four compactors, and complete communications equipment.

The transport battalion will be equipped with 76 2.5-ton trucks and 24 jeeps [preceding word in English].

Two Hercules airplanes, four helicopters for the Air Force, and patrol boats for the Bolivian Navy will also arrive.

The U.S. military team's work begins today. We must point out that Congress has approved their work with the Manchego Battalion in Santa Cruz from 4 April, that is, today, until 15 July. The U.S. military men will train the Jordan Battalion personnel in Beni Department from 2 September to 30 November.

Deputy Ratifies U.S. Report on Militarization

PY0604192491 La Paz Radio Fides in Spanish 1100 GMT 6 Apr 91

[Text] A confidential report by the U.S. Congress on militarization of the struggle against drug trafficking in our country, which was read yesterday during El Central de Fides [Fides Central Newscast], has been ratified by national Deputy Ernesto Machicado.

[Begin Machicado recording] The criticism of the U.S. Congress is very revealing for Bolivia. On one hand, we are told that the Armed Forces in Bolivia will militarily occupy certain zones in Chapare and Beni, and that house-to-house raids will be carried out, probably by police forces.

The U.S. Congress is extremely critical of this situation; it points out some aspects that are very worrisome. The American Congress tells us that militarization will result in an escalation of violence in Bolivia, that militarization represents a provocation, and that, as in Peru, it will breed violence because there will be a response—especially from peasants producing coca—to this situation and it will be an armed response.

The American Congress also tells us militarization will debilitate the legitimacy of the government. It tells us that militarization will jeopardize the democratic process and obviously arouse nondemocratic appetites that, in this way, could substitute a process that has claimed lives and has demanded a great deal of sacrifice by Bolivians. [end recording]

COB Protests Militarization of Antidrug Effort

PY0604144491 La Paz Radio Fides in Spanish 1100 GMT 6 Apr 91

[Text] Involvement of the military forces in the struggle against drug trafficking will mark the beginning of corruption within the Armed Forces and their discredit, claims the Bolivian Labor Federation [COB], which announced on 5 April a 24-hour strike that will begin on 9 April.

Julio Arce, a leader of our country's leading labor union organization, blamed the oligarchy for the recent congressional decisions authorizing the arrival of U.S. forces to initiate the struggle against drug trafficking.

[Begin recording] [Arce] The Armed Forces will become corrupt—as they have been corrupted on previous occasions—through this direct contact with drug trafficking. Nonetheless, this is not the primary problem. The primary problem will be that since they will not be able to find drug traffickers in the coca producing zones, they will have to extort this information and become involved in a series of human rights violations against the peasants producing coca leaves.

[Unidentified reporter] How can the participation of the Armed Forces in the struggle against drug trafficking undermine our country's democratic stability?

[Arce] This is an overwhelming reality. I believe that all the political experts in the world know perfectly well that when an army is built up too much, it is precisely to implement a military dictatorship. This is what the United States is seeking because we have never believed in the democracy it implements. It only supports a democracy when it is controlled. When it cannot be controlled, when a country really achieves a democratic reality, the United States chooses coups d'etat and, to this end, it must supply arms to the military so they can riddle their (?peoples) with bullets. [end recording]

Mineworkers Begin Strike 'To Defend' Industry

PY0604034291 La Paz Radio Fides Network in Spanish 1100 GMT 5 Apr 91

[Excerpt] At 0000 today, Friday, 5 April, mineworkers went on strike to defend the nationalized mining industry and to protest the militarization of the coca cultivation zones. [passage omitted]

Information Minister Rejects Union Decision

PY0604034691 La Paz Radio Fides in Spanish 1100 GMT 5 Apr 91

[Text] Information Minister Mario Rueda Pena has rejected all the decisions made by the Bolivian Labor Federation [COB], warning the peasant workers that the National Constitution will be applied if any road blocks are built within our national territory.

[Begin Rueda Pena recording, in progress] ...a few seconds and with a 24- or 48-hour strike—I do not know exactly—in protest over two specific facts: first, because the National Congress has authorized the entry of U.S. advisers who will arrive to train Bolivian military personnel who will eventually participate in the struggle against drug trafficking; and, second, because the changes to the Mining Code have been approved.

I would advise the COB leaders, the leaders of the Trade Union Federation of Bolivian Mine Workers, and the cooperatives' mine workers leaders to read the National Constitution because it will not hurt them. It is always very good to read, particularly in these cases. If they do so, they will realize that the National Congress has strictly adhered to the provisions and tenets of the National Constitution. The measures have been approved by a majority vote. The majority vote is a mechanism of democracy used in all the countries in the world where there are civilized institutional habits.

When there are debates in a congress, the first thing that is sought is a consensus among the different political party trends that represent the people in the legislative branch. Such a consensus is always reached. The representatives, organized in parties, have contrasting viewpoints. They have contradictory viewpoints.

Strikes and blockades are okay [preceding word in English]. In this case, however, the attitude that they are adopting is extremely serious because it simply and plainly represents an act of sedition. The crime of sedition is described in the Penal Code with respect to all those who are opposed, or who try to oppose, compliance with the resolutions of the executive branch.

They thus oppose a decision made in a legitimate way by Congress through a majority vote. [end recording]

This was Information Minister Mario Rueda Pena.

Military Clear Railroad Tracks Blocked by Miners

PY0604035091 Madrid EFE in Spanish 1949 GMT 5 Apr 91

[Text] La Paz, 4 Apr (EFE)—Bolivian military men today cleared the railroad tracks that connect La Paz with settlements on the Argentine border. Miners who work under the cooperative system blocked the tracks for 72 hours to protest the approval of the new Mining Code.

Salomon Michel, secretary for social development of the National Federation of Bolivian Mining Cooperatives (Fencomin), said: "At 0400 (0800 GMT) this morning, the Atocha miners of the cooperative sector were brutally repressed and many of their main leaders were arrested." He added, however, that he could not say how many.

The 612 mining cooperatives that employ 50,000 miners—most of them being miners who were dismissed by the state-owned companies in 1985—disagree with the Mining Code that was approved by Congress this morning because the new tax system contained therein is too onerous relative to their production.

In an attempt to prevent the approval of the Mining Code, the miners of the cooperative sector blocked the railroad tracks at Atocha, 850 km south of La Paz. As a result, two trains coming from Argentina could not continue their trip. Hundreds of passengers and tons of import products and goods for export were thus held up at Atocha.

Pointing out that the Mining Code will also benefit the miners of the cooperative sector and the small mining companies, Mining and Metallurgy Minister Walter Soriano Lea Plaza said: "The miners have violated the people's fundamental right to travel."

Leader Michel asserted that the "brutal repression" of the miners of the cooperative sector at Atocha will promote further protests. He added: "We do not ignore the possibility of a massive hunger strike" that may be voted on at the leaders' meeting which will be held in the next few hours.

Commenting that he is sure there has also been military intervention in the occupied districts of Huanuni and Catavi, Michel said: "We are almost sure that our colleagues in Huanuni and Catavi have had the same problems as we did at Atocha."

According to an unofficial list, several miners' leaders of the cooperative sectors are among those arrested at Atocha. The government has announced that there will be an official report on the incidents in the next few hours.

Government Says 24-Hour COB Strike 'Illegal'

PY0604154291 La Paz Radio Fides in Spanish 1100 GMT 6 Apr 91

[Text] Labor Minister Oscar Zamora Medinacelli has pointed out that the government of national unity has termed illegal the 24-hour strike sponsored by the Bolivian Labor Federation [COB] and scheduled for 9 April.

[Begin Zamora recording, in progress] ...the agreement signed with the government in which they committed themselves to maintain normalcy in the country and the government committed itself to comply with contracted pledges. Now then, if amid this atmosphere—so to speak—of maintaining social peace or normalcy in the country, they make this type of decision, then, of course, this strike is totally illegal.

In no way will the government allow the lawfulness of this strike. Therefore, it will issue the appropriate resolution, declaring this strike illegal as there are no reasons for it. You know that there is already an agreement governing the government's policy and their attitude toward social issues.

This is primarily a political strike because, I must also make this clear, the militarization issue has been clearly explained—there is no militarization, but Armed Forces participation within the spirit of the law on the struggle against drug trafficking. [end recording]

Brazil

Iraq Denies BBI Involvement in Arms Sales

PY0604013091 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Apr 91 First Section p 9

[Text] Brasilia—Iraqi Ambassador to Brazil Qays Tawfiq al-Mukhtar yesterday told FOLHA that the Brazilian-Iraqi Bank Inc. (BBI) did not finance arms exports from Brazil to Iraq. He said that since 1982, when the BBI was created, there have been practically no Iraqi imports of arms from Brazil.

The Iraqi envoy said that after 1982, instead of importing Brazilian arms, Iraq hired the military consulting services of Brigadier Hugo Piva.

He described as "somewhat absurd" the U.S. Treasury Department decision to include the BBI, the BBI insurance company, and Iraqi Airways on its blacklist. He said this measure was designed to force Saddam Husayn's ouster.

The Bank of Brazil, which owns 50 percent of the BBI shares, has reported that the BBI management has already taken steps to remove the BBI from the U.S. Treasury Department blacklist. The Brazilian Foreign Ministry has also contacted the U.S. Embassy in Brasilia.

Planned of Export Nuclear Fuel to Germany Viewed

PY0504142991 Rio de Janeiro O GLOBO in Portuguese 3 Apr 91 p 17

[By Pablo Motta]

[Text] Brazil and Argentina will form a consortium that will initiate an unheard-of change in the history of advanced strategic technology trade. According to Brazilian Government sources, the consortium has already signed a deal to sell nuclear fuel for use in German power plants. This is the first time that a Third World country, instead of purchasing nuclear technology, will sell it to a First World country.

The German firm Siemens has contracted the services of the consortium because the power plants it administers have been experiencing fuel supply problems since a fire damaged the fuel processing plant in Hanau (Germany). The total volume of nuclear fuel that will be exported and the value of the deal are considered industrial secrets.

The fuel production chain begins in Brazil. Here the uranium is transformed into yellow cake [previous two words in English] at Pocos de Caldas in Minas Gerais. The material is then sent to Argentina, where it is transformed into purified uranium and where the fuel rods are manufactured. The product is then sent back to Brazil for a final refining at the Fuel Element Factory (FEC) in Resende, Rio de Janeiro.

According to government sources, the product is not enriched uranium, but rather processed uranium fuel rods for use in nuclear power plants, which control the reaction with heavy water. Germany and Argentina use this type of nuclear power plant. Brazilian plants use enriched uranium, and the nuclear reaction is controlled by pressurized common water.

According to the source, another step in the integration of the Argentine and Brazilian atomic programs—in addition to the ongoing process of mutual inspection of nuclear installations—will be the production of enriched uranium for the next refueling of Angra-1, which is scheduled for May or June. This will be the first time that the fuel for Angra-1 will not be provided by a First World country.

In the last refueling of Angra I, the uranium cake produced in Pocos de Caldas was enriched by German installations and then transformed into fuel in Resende. The fuel rods were produced in Argentina. The Angra-1 nuclear power plant has been operating for 180 days without interruption.

According to experts, the first quality tests carried out on the fuel produced by the consortium yielded excellent results.

Joint Nuclear Committee With Argentina To Meet

PY0604145491 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 5 Apr 91

[Text] The standing Brazilian-Argentine Nuclear Policy Committee will hold its fifth meeting in Buenos Aires. Correspondent Gustavo Mariani has filed this report:

[Begin Mariani recording] The Brazilian Foreign Ministry has reported the meeting agenda. Brazil will be represented by Jose Luis Santana, National Nuclear Energy Commission chairman, and Itamaraty Economy Department chief (Celso Morim). Basically, the agenda will include two issues: an evaluation of the first round of talks on mutual safeguards, which were held in Brazil in November 1990, and an evaluation of a bilateral proposal to proscribe nuclear weapons. In September, this proposal will be submitted by both countries to the International Atomic Energy Agency [IAEA] in Vienna, Austria.

Itamaraty has noted that the agreement to be signed with Argentina and the IAEA could eliminate international distrust in connection with Brazil, which is not a member of the nuclear nonproliferation agreement.

Itamaraty added that the safeguard agreement with Argentina is important because it will facilitate the transfer of sensitive technology to the two countries. [end recording]

Judge Imposes Maximum Sentences on Traffickers

PY0504153191 Rio de Janeiro O GLOBO in Portuguese 3 Apr 91 p 5

[Excerpt] Sao Paulo—Federal Judge Joao Carlos da Rocha Mattos of the Fourth Criminal District yesterday imposed the longest sentences available to a Brazilian judge on four members of the Medellin cartel who were caught red-handed on 2 November 1990 in Sao Paulo with 500 kg of cocaine, the largest seizure ever in the country.

In a 76-page typewritten sentence, Judge Rocha Mattos sentenced Colombian citizen Manuel Gaviria Vasquez and Italian citizen Giuliano Demontis to 21 years and four months in prison; Italian citizen Renato Filippini to 24 years in prison; and Italian citizen Giancarlos Porcacchia, who entered Brazil under the false name of Alberto Nibbi, to 27 years in prison. The judge ordered the sentences to be served in a maximum security prison, taking into account both the fact that these men are dangerous and the nature of the crime they committed. Furthermore, the judge denied them any possibility of parole. [passage omitted].

Trade Deficit of $7.2 Billion Reported for 1990

PY0704011891 Rio de Janeiro O GLOBO in Portuguese 5 Apr 91 p 23

[Text] Last year Brazil experienced a $7.2-billion deficit in trade relations with other countries and its domestic reserves did not decrease to zero only because it suspended interest payments on its foreign debt to private banks. This assessment is included in the Central Bank's quarterly publication, Brasil-Programa Economico—released yesterday—which contains a detailed analysis of our country's accounts.

Even with the suspension of some foreign debt payments, last year our country paid out $7.5 billion to creditors like the Inter-American Development Bank (IDB), the World Bank (IBRD), and the International Monetary Fund (IMF). Even so, our country closed the fiscal year with a foreign debt totaling $122.2 billion, of which $24.8 billion involves short-term payments.

In order to close the year with $8.8 billion in foreign exchange reserves [reservas cambiais], which is more than the $7.3 billion reported for 1989, Brazil had to delay the payment of $8.3 billion to private creditors and increase the debt service. The results show that Brazil's situation has become worse: The balance of payments in 1989 resulted in a lower deficit of $3.3 billion.

Chile

Aylwin 'Will Not Negotiate' With Terrorists

PY0504185791 Santiago Radio Chilena Network Spanish 1700 GMT 4 Apr 91

[Text] President Patricio Aylwin has stated that the government will not negotiate nor talk with terrorist groups. He added that during his trip through Europe he will extend an official invitation to Pope John Paul II to visit Chile again.

President Aylwin granted a news conference at La Moneda Palace to foreign reporters accredited to the country. Aylwin was asked whether the government would negotiate with sectors engaged in terrorism, perhaps mediated through the Catholic Church. He said:

[Begin Aylwin recording] I believe that no alternative should be ruled out, but the characteristics of recent events and the crimes committed do not encourage us to seek negotiated solutions, but to strictly impose the law and to seek punishment for those involved. [end recording]

President Aylwin said that the murder of Jaime Guzman does not jeopardize the stability of Chilean democracy. He said that all crimes deserve punishment and that actions of this type provoke agitation and disrupt, at least temporarily, social peace.

[Begin Aylwin recording] I do not think this crime will jeopardize the stability of our democracy, although I cannot [words indistinct]. [end recording]

He said that Guzman's murder could be part of a wave of terrorist actions that would undoubtedly represent a problem that would have to be faced resolutely and courageously. The president added that terrorism is just

beginning in Chile. He said that following the suffering of the past 20 years, the overwhelming majority of Chileans reject violence and are not at all sympathetic toward those who engage in violence.

Aylwin finally expressed his satisfaction over the Supreme Court ruling which instructs the courts that are handling cases included in the Truth and Reconciliation Commission report to act as expeditiously as possible.

The president spoke about his trip to Europe. Aylwin said that during his private meeting with Pope John Paul II at the Vatican on Monday, 22 April, he will officially invite the Pope to visit our country again. It is appropriate to recall that the Pope visited Chile in April 1987. Aylwin added that he will be absent from the country for 20 days, and that he is certain that nothing dangerous will take place domestically during that period.

Pinochet Asserts Willingness To Fight Terrorism

PY0604162091 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 6 Apr 91

[Relay from the Defense Ministry by Veronica Rubio]

[Excerpt] Army Commander General Augusto Pinochet has asserted that there are many ways to cooperate in the struggle against terrorism. He said this to media at the end of a ceremony in Colina to celebrate an armored cavalry regiment's day.

As he was approached by journalists, Pinochet quickly said: I do not make comments, I do not talk about terrorism.

When he was asked about the government's request that the Armed Forces supply data that may help the police in the struggle against terrorism Pinochet said: Well, I do not have data because I do not keep any files. What data can they ask me for if I do not keep any?

When he was asked how the Army will cooperate in the antiterrorism struggle proposed by the government, Pinochet said that there are many ways to cooperate, but made no further comments.

He was also asked whether the president had asked him for cooperation in this field during the meeting with President Patricio Aylwin yesterday. Pinochet answered: I have always offered to cooperate in this field. [passage omitted]

Teitelboim Reiterates Position Against Violence

PY0504222491 Santiago Radio Chilena Network in Spanish 1700 GMT 5 Apr 91

[Text] Volodia Teitelboim, secretary general of the Communist Party of Chile [PCCh], said today that his party is against arms and violence. Asked about the comments made by Luis Corvalan who called on militants to keep their arms just in case, Teitelboim said that he does not share that opinion.

[Begin recording] [Teitelboim] Keep arms, no. We do not keep any arms and we have not asked anyone to keep them for us.

[Reporter] Luis Corvalan wanted the people to keep them.

[Teitelboim] I do not. [end recording]

Teitelboim added that in none of the political parties do all the leaders use the same style. Teitelboim was accompanied by Manuel Cantero, PCCh Political Committee leader. He said that the criticisms made against the PCCh on this issue are part of an antidemocratic campaign that seeks to destabilize the government. He reiterated that his party believes that any form of violent struggle in this democratic transition is negative. He said that violence was used only in self-defense during the military regime.

Teitelboim admitted that the PCCh was linked with the Manuel Rodriguez Patriotic Front in an effort to recover democracy for the country.

[Begin recording] [Teitelboim] The PCCh does not have armed groups.

[Reporter] Did the party have them in the past?

[Teitelboim] The PCCh never had any control over the armed groups, never directed them. It had some link with the [Manuel Rodriguez Patriotic] front during the hard times of the dictatorship, but then they ended. [end recording]

Teitelboim said that the party throughout its history has always advocated democracy but perhaps for this reason efforts are being made to exclude the party from the current process. Asked about the Christian Democratic Party resolution demanding from the PCCh a clearer position against violence, Teitelboim said a statement on those terms among parties is not appropriate and that the party's position is not ambiguous.

National Renewal Party Building Damaged by Bomb

PY0504195991 Santiago Radio Chilena Network in Spanish 1700 GMT 5 Apr 91

[Text] The headquarters of the National Renewal [RN] Party, on the corner of Santa Rosa Street and Gabriela Avenue, was considerably damaged by a bomb that was thrown onto the roof by unidentified people.

The bomb was thrown at the building around midnight. The explosion destroyed almost half of the roof. Fortunately no one was injured, although the caretaker Omar Bisama, his wife, and two children were inside.

GOPE [Special Police Operations Group] agents are investigating to determine the type of explosive used, however, the results have not yet been released by this specialized Carabineros group.

Three More Arrested in Guzman-Linked Murder Case

PY0504201191 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 5 Apr 91

[Text] The three people detained for their presumed participation in the double murder of Doctor Carlos Hernan Perez Castro and his wife are being held incommunicado at the Rancagua Prison, at the disposal of Special Judge Sonia Araneda. They are: Claudio Esteban Cerda Bravo, his brother Hugo Eugenio Cerda Bravo, and Juan Carlos Narvaez.

Moreover, Adolfo Sanchez, the first accomplice to be arrested, has been taken to the Santa Cruz prison.

Matthei, Hidalgo Dispute AN Blame for Rallies

PY0504141491 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 5 Apr 91

[Excerpts] General Fernando Matthei, Chilean Air Force commander in chief, has identified the National Vanguard Party [AN] as being responsible for the demonstrations against him that were held in front of the Military Hospital the night Senator Jaime Guzman was murdered.

[Begin recording] [Matthei] It is an easily identifiable group. I have known them for many years. It is a sad group of stupid people headed by a few gangsters [preceding word in English]. I also know who pays them. Just by listening to their shouts we can tell where they come from and who they are. [passage omitted]

[Unidentified reporter] To whom do you attribute the demonstrations?

[Matthei] To the AN. [end recording] [passage omitted]

Former AN Vice President Patricio Hidalgo has denied Gen. Matthei's remarks and has announced that the AN will sue Gen. Matthei for slander.

[Begin Hidalgo recording] This is not true. The AN has not staged any demonstration against Mr. Matthei. We were all able to watch the demonstration on television. We could see that the demonstration was a spontaneous action by those arriving at the hospital. No one is to blame for it. The AN, the UDI [Independent Democratic Union], and other groups are not to be blamed for the fact that 43 percent of the people who support General Pinochet profoundly dislike Gen. Matthei. This is due to his inconsistency; he has not been able to defend the administration to which he belongs.

I have received calls from several other AN leaders and we have decided that I will personally file a suit against him on charges of public slander. We will see if Mr. Matthei is brave enough to repeat what he said or to justify his words to a judge. [end recording] [passage omitted]

President Aylwin Departs for 20-Day European Tour

PY0704005091 Madrid EFE in Spanish 2052 GMT 6 Apr 91

[Text] Santiago, 6 Apr (EFE)—Accompanied by his wife and five ministers, Chilean President Patricio Aylwin left the Chilean capital today on a special flight to Madrid, where he will begin a 20-day tour through six European countries.

The presidential plane, a Chilean Air Force Boeing 707, took off from the Commodore Arturo Merino Benitez Airport at 2045 GMT. The plane will make a technical stopover in Recife, Brazil, tonight and arrive at Barajas Airport in Madrid tomorrow.

Aylwin, in his first trip to Europe after completing a year in power, will visit Spain, Great Britain, the Netherlands, the European Parliament in Strasbourg, France, Italy, the Vatican, and Germany.

In a news conference yesterday, President Aylwin, who will return to Santiago on 26 April, said the purpose of the trip was "to thank the European democracies for their support for the Chilean process of restoring democracy and to strengthen commercial relations, because Europe is Chile's largest trade partner."

Colombia

Barrancabermeja Public Works Secretary Slain

PA0504140691 Bogota Radio Cadena Nacional in Spanish 1215 GMT 5 Apr 91

[Text] Barrancabermeja—Engineer David Nunez Scala, public works secretary in Barrancabermeja, was gunned down a few minutes ago by unidentified individuals who attacked him in a crowded area at this oil port. Nunez had taken office only 20 days ago. He belonged to the FIL [Liberal Integration Front] movement that is led in Santander by Liberal Party Consitutional Assemblyman Horacio Serpa Uribe.

Ecopetrol Refinery 'Virtually Paralyzed' by Rebels

PA0704125091 Bogota Radio Cadena Nacional in Spanish 1201 GMT 7 Apr 91

[Text] The situation is becoming delicate. The refinery of the state-owned Colombian Petroleum Enterprise, Ecopetrol, is virtually paralyzed because of three attacks in the past few hours which destroyed five pipelines carrying crude oil, gas, and water.

As our station reported earlier, the terrorist actions occurred in (Pablo Acuna), La Paz, and on the road to Bucaramanga. The explosive devices were planted by subversives of the Simon Bolivar Guerrilla Coordinating Board. They destroyed the gas pipeline of the central area, the oil pipelines of the Llanos de Vasquez in Boyaca, Vasconia, and Texas, and the water distribution system.

The authorities have said, as our colleagues in various regions of the country have reported during the reading of the headlines at the beginning of this newscast, that this complex is considered to be the heart of the refinery. Now it is paralyzed because the destruction of these gas and oil pipelines will virtually prevent the normal reestablishment of refineries' operation for some time. At this time, however, Ecopetrol operators are trying to repair the damage caused by these terrorist attacks.

* Extent, Nature of Government Corruption Viewed

91SM0234A Bogota SEMANA in Spanish
12 Mar 91 pp 14-19

[Text] The latest study on crime in Colombia shows that while all crimes in Colombia are increasing at a rate of 39.7 percent a year, crimes committed by government employees (illegal awarding of contracts, betrayal of trust, embezzlement, illicit enrichment, extortion and bribery, to mention some of them) are increasing at a rate of 164.1 percent. And such crimes often go unpunished: 11.9 percent of such receive negative sentences.

The degree of administrative corruption has expanded so greatly that press reports on the issue now occupy much more space than news about terrorist activities or the violence Colombia is experiencing. During the first week of March, the public was given an almost unending listing of crimes and irregularities perpetrated by Colombia's government officials. Fourteen Social Security employees were dismissed from their jobs for setting up nonexistent pensions. Negligence was reported in the Bogota Urban Transport Enterprise. An illegal operation was uncovered in the Bogota Public Instruments Registry Office. An ultimatum was given to the mayor of Barranquilla to clean up Public Enterprises. For paving a street in the capital of Atlantico department, a job that was supposed to cost 900 million pesos, 2.389 billion pesos were paid. The Attorney General's Office reported the irregular acquittal of directors of Cali Municipal Enterprises who accepted bribes amounting to 80 million pesos from Brugues Construction. The superintendent of the Documents and Records Office, Benjamin Ardila Duarte, admitted that he had lied to the public about anomalies in his agency. Former President Carlos Lleras reported the illicit enrichment of a senator. Liquor revenue stamps worth 77 million pesos disappeared from the Atlantico Departmental Treasury. The Financial Transport Corporation, cited by the Comptroller's Office for mismanagement, is being taken over by state financial services in order to save it. The Attorney General's Office is investigating 29 members of parliament and 1,261 customs officials for illicit enrichment; it also reported that it had issued penalties against 507 members of the Armed Forces. The Boyaca Water Institute has been accused of not investing royalties turned over by Ecopetrol [Colombian Petroleum Enterprise]. In Bogota, 80 million pesos in real estate tax revenues were pocketed by 14 officials. The mayor of Bogota reported serious irregularities in the Bids and Proposals Registry Office in the district administration. And at the end of the week, the huge theft from the National Social Security Fund was discovered.

One week of news about embezzlements, betrayals of trust, omissions, abuses, usurpations, inefficiencies, lack of punishments, acts on behalf of special interests, illegal awarding of contracts, illicit enrichment and dozens of additional irregularities; all this can be summed up in a single word: corruption. This is a disease to which Colombia has become accustomed for many years, and it has grown so strong that many people identify the group of corrupt officials as "the bureaucracy cartel." This is a heterogeneous group that just last year pocketed about 100 billion pesos (as an illustration, this is almost twice what the nation needs to fund the free secondary education subsidy).

And the term of "cartel" is not gratuitous. A group of investigators from THE ECONOMIST prepared a study on the world's social situation. They selected 50 countries with problems and rated them according to a number of variables. One such variable was "corruption." Each nation was rated on a scale from one (least corrupt) to six points (maximum corruption). Among those receiving one point in Latin America were Brazil, Uruguay, and Argentina, and among the few rated with six points were Colombia, Iran, Bangladesh, and Uganda. Mexico, where bribery was considered to have legendary proportions, was outstripped, as were some time ago the former leaders in bribery, smuggling, and misdeeds in general: Hong Kong, Singapore, the Philippines, Pakistan, and Egypt.

But the word "corruption" is not a part of the Colombian vocabulary. From Alberto Lleras Camargo up until the present time, only one president of Colombia has spoken the word "corruption" in his inaugural address: Cesar Gaviria Trujillo. To date the theory has been that corruption is an inconvenient but natural factor in a developing nation. Nonetheless, the magnitude of the problem has grown so that its existence cannot be ignored. Every day about 50 administrative investigations of corrupt officials are initiated. In the Attorney General's Office, a total of 49,155 disciplinary proceedings were being handled at the end of 1990. In the meantime, for the past 14 months the Comptroller's Office has been working on investigations of embezzlements and shortages of government funds totaling about 10 billion pesos.

For a Colombia in the process of opening up and internationalizing its economy, corruption is a more serious obstacle than port inefficiency or the lack of railway infrastructure. Corruption has managed to legitimize the armed onslaught against Colombia's democratic institutions. The contempt in which the nation's ruling class and members of the government are held is a direct consequence of the high level of demoralization. For this reason, the government has just made the political decision to clean up the civil service, and within one month the Administrative Moralization Council will

be set up. Its preliminary work has been entrusted to Eduardo Wills Herrera, an official with the ministry of the presidency, who began work on this issue last week. The slogan will be "Truth will be known and good faith kept."

The crusade against the disease of corruption is going still further. The Comptroller's Office has hired Fedesarollo [Federation for Development] to do the first study on the status of corruption in Colombia, which will be completed by the end of the year; it will attempt to reduce the levels of official breakdown. Finally, as a joint project, the Attorney General's Office and the Comptroller's Office have set up the Corruption Prevention Committee; composed of the manager of Inderena [Institute of Development of Renewable Natural Resources], Manuel Rodriguez; Jaime Castro Castro, a member of the Constituent Assembly; the secretary of the Liberal Party, Fernando Botero Zea; former minister Jaime Arias Ramirez; Attorney General Carlos Gustavo Arrieta; the director of taxes, Fernando Zarama Vasquez; the customs director, Mauricio Villegas; and the director of the Social Security Institute, Cecilia Lopez Montano.

No one has any doubt that an anticorruption program is urgently needed. A month ago, in an editorial by former President Carlos Lleras Restrepo entitled "The Thieves," he cited four cases that generated losses of over 3 billion pesos to the Treasury: the forgery of Salinas Concession securities, the theft of securities from the Military Housing Fund, the theft of jewels and funds deposited in the Peoples Bank of Santa Marta, and the falsification of Central Mortgage Bank documents. "Lamentable cases of negligence have been found, as well as definite criminal actions. The National Treasury has been victimized by thieves (what else can we call them?). These people must be punished. Thieves—and what thieves! Never before these events had so much been stolen from the government. Crime, but also negligence. Our poor country!" he wrote in NUEVA FRONTERA.

This cry of alarm has been added to the chorus that has already formed on this issue. The people spearheading the campaign have a very clear idea of what needs to be done: it must be treated not only as a moral issue, but also as a political and economic issue, as the drug traffic is. For what is certain is that never before has so much been stolen in Colombia. A study by the Comptroller's Office for 1980 to 1985 found shortages of funds and embezzlements of 980 million pesos in the central government. But just four years later, between January 1989 and March 1990, the Comptroller's Office evaluated shortages of funds and embezzlements at 6.330 billion pesos, and during the last 14 months that figure has topped 10 billion pesos. According to Hernan Jimenez, the director of investigations at the Comptroller's Office, that amount is barely 10 percent of what really goes into the pockets of the corrupt, since most corruption leaves no traces behind.

With such figures involved and such a large area going without official oversight (about 2 billion pesos allocated in the National Budget) a new social class has arisen: people who depend on administrative corruption. This caste is already being compared by students of the phenomenon to a similar group in Hong Kong, where for years the symbol of wealth was this very same bureaucracy. The two went hand in hand; to be a bureaucrat meant to be wealthy, and vice versa. But in addition to the social damages caused by this phenomenon, its costs impact heavily on politics, economics, and the bureaucracy. People who have written on the issue, including the World Bank, the American Richard Kligaard, and the Colombian Alvaro Avila Bernal, conclude that there is no doubt that this public immorality has a major impact on the administration's efficiency, on economic policy, and on the nation's development.

Students of the issue classify the costs of corruption in four areas. First of all, it puts an end to the state's efficiency because resources are squandered, as has happened at the National Welfare Fund, the Social Security Institute, and the National Health Institute, where corrupt officials working hand in hand with their suppliers invested vast sums of money in unnecessary or expired drugs. The phenomenon also creates serious risks to the public: in Bogota a seven-story building was erected at the intersection of Calle 87 with Third Avenue. The soil there was suitable for a building no higher than three stories. As a result, two children were killed when the building collapsed. It also creates political distortions, as it strikes at the heart of the state's efforts to cut waste. During the Turbay Ayala administration, attempts were made to provide "bienestarina," a nutritional supplement, to orphanages, but it ended up being used to feed livestock.

In the second place, it generates absurd distortions in income distribution. In this case there is a dual effect: it makes the rich richer, and the poor even poorer. It tends to concentrate wealth in a small group, and dilutes investments intended for low income people. The best example of this situation was found in Emcali [Cali Municipal Enterprises], where a contract was awarded to build a water-treatment plant in the most depressed area of the capital of Valle del Cauca, Aguablanca. In the 820 million peso contract, bribes of 80 million pesos were given out to Emcali directors and employees, according to the Attorney General's Office.

Third, it deters social development: it creates distortions, making it easier to become a millionaire by working for the government than by founding a productive business. This impedes the creation of new jobs and causes socially productive resources to disappear, and socially detrimental forces to emerge. Half of the government jobs of a certain rank are held by candidates appointed by political bosses, and not by career employees.

Fourth, it generates major political costs: immorality, cynicism, institutional instability, and the legitimizing of armed opposition to state forces: these are the faithful

reflections of the effects of corruption. Colombia's biggest problem is probably the system's lack of legitimacy in the eyes of most of the population. This has its origins primarily in corruption, and it is wishful thinking to imagine that it can be solved through constitutional reform.

One thing is certainly very clear to everyone: without the involvement of private individuals and the private sector, government officials would not be corrupted. The best recent example comes from the Social Security Institute. At the very time that the employee defrauding of the agency was being denounced, a listing of 104 private companies, including some affiliated with the Catholic Church, came to light in Cundinamarca. The list contained receipts for payments and totally illicit cards for users of services. The Comptroller General of Colombia, Manuel Franciso Becerra, has warned that "we cannot continue to pin the blame solely on public-sector officials; this is tantamount to attacking the weakest link in the chain, and ensuring that a large part of the persons guilty for this serious crime will go unpunished." An important reflection of this evaluation is the 4 billion pesos lost last year through evasions of payments of tolls and fees, and the much higher figure lost through tax evasions.

But whether or not the average citizen is involved in this, what is true is that supervisory agencies, disciplinary tribunals, prosecutors, comptrollers, investigators, and the courts cannot keep up with the huge numbers of accusations and cases they have to investigate on government employee corruption. Just between 1988 and 1990 at the National Tax Administration, 102 officials were dismissed and 151 suspended. At the Social Security Institute, the number of dismissals and suspensions amounted to 40 in the first two months of the year, while 1,241 investigation are going forward, with 25 percent resulting in penalties at the first level of the process. The Attorney General's Office alone is handling 49,155 disciplinary proceedings, and in one year it managed to settle just about 15,000. Right now the Comptroller's Office is investigating 70 cases of embezzlement and shortages of funds, while some 2,000 national officials are being examined, or facing tax courts. In the Investigators' Office of the Special District of Bogota, between June 1990 and February 1991, 493 complaints were received against 20 members of the city administration and police inspectors. Today, 2,000 of the capital city's officials are under investigation, in proceedings in which at least 5 percent a year are dismissed.

But without a doubt today's "hot" administrative crime is illicit enrichment. For about two years, ever since the Special Investigations Unit of the Attorney General's Office that specializes in this type of case, was set up, the matter has taken on an unprecedented volume, and already over 1,000 people are being examined. Many anonmyous reports, averaging about 30 a day, cite officials who increase their resources improperly by abusing their positions or their duties. The fortunes of 29 parliamentarians, 48 judges and magistrates, 65 directors of public municipal enterprises, 72 members of the military forces, 82 Social Security officials, 88 members of the National Police, 92 mayors (10 percent of the total in the nation), and 149 officials of the Customs Division are now under investigation. In the Customs Division, a sampling of 13 officials found that while they could only prove job-related earnings of 75 million pesos, their real estate assets and their checking accounts came to totals of 2 billion pesos, 70 percent made up almost exclusively of cash deposited in their bank accounts.

Customs Officials' Unexplained Income
(in millions of pesos)

	Annual Salary	Real Estate Assets	Bank Accounts	Unexplained Income
Alvaro Hector Mendez Alonso (administrative technician)	6.7	101.6	241.8	343.4
Miguel Prieto Gonzalez (administrative technician)	4.7	26.1	296.5	322.6
Mariela Palacios Munoz (university professor)	6.2	42.9	176.9	219.8
Jose Antonio Lopez (warehouse employee on leave without pay)	12.9	34.1	160.1	194.2
Arcesio Ocampo Mejia (Medellin customs administrator)	5.1	0.0	67.1	67.1
Augusto Renan Leon Ardila (administrative technician)	6.2	52.1	111.3	163.4
Jose Fabio Espejo Pardo (administrative aide)	9.7	54.7	72.4	127.1
Luis Eduardo Fajardo Sanabria (administrative technician)	4.6	13.1	109.4	122.5
Nelson Jaime Escobar Calderon (customs lieutenant)	3.5	48.7	59.1	107.8

Customs Officials' Unexplained Income (in millions of pesos) (Continued)

	Annual Salary	Real Estate Assets	Bank Accounts	Unexplained Income
Jairo Antonio Muller (administrative technician)	4.6	71.4	17.7	89.1
Marco Fidel Amarales (administrative aide)	6.9	42.4	44.9	87.3
Luis Humberto Ramirez Garcia (university professional)	6.8	40.5	44.9	85.4
Hernando Jimenez Aristizabal (professional specialist)	12.6	30.7	48.8	79.5

But despite the fact that Colombia is continually being hammered by reports of massive fraud and irregularities, the common denominator in corruption cases is that these crimes go unpunished. Of the 1,241 cases being investigated in the Social Security Institute, only 1.3 percent of the cases that the Attorney General's Office is investigating resulted in sentences, and 27.1 percent of those under investigation by the internal auditing department. And for cases beyond the statute of limitations (expiration of the deadline without legal action having been taken), the Attorney General's Office presents a depressing statistic of 39.6 percent. While the number of crimes reported is going up in percentage every year, the sentences issued by the courts remain negative, according to the Dane [National Administrative Department of Statistics] figures. As an example, a month ago the Attorney General's Office stated in a press release that a judge in Cali had been pressured to issue an acquittal verdict, and he avoided investigating related crimes for the report the agency filed against Emcali directors. This case is now awaiting a decision by the Superior Court of Cali, under the supervision of the Attorney General's Office.

The crimes against the public administration most often reported are embezzlements (by misappropriation, improper use, related errors, different official action), bribery, extortion, improper awarding of contracts, influence peddling, betrayal of trust, illicit enrichment, abuse of authority, dereliction of duty, giving insider tips and other illegal actions, intervention in politics, failure to report infractions, abuse of public duties, to cite just a few. If we were to set up a corruption meter, the names that would be mentioned most often are the Social Security Institute, the National Welfare Fund, the Regional Educational Funds, the National Tax Agency, the Congress, rotary funds, customs, and municipal public enterprises. A mathematical exercise on the customs duties case has astounded more than one person. On annual imports of about $5 billion, it is estimated that at least $50 million stays in the hands of the customs inspectors for adjusting the tariffs to save the importers some money. In other words, the average annual cut is about 160 million Colombian pesos. This gives an idea of the illicit enrichment going on in that agency.

What can be done about the magnitude of this corruption? The first step is to have the political will to end this scourge, or at least to reduce it to acceptable levels. That has already been done with the creation of the Council on Administrative Moralization in the office of the presidency, although some people have been reluctant to use this mechanism. A study completed last year on administrative reform concluded that the best thing to do was to set up an Administrative Moralization Commission, "to be appointed by the president, although it is also necessary to maintain absolute independence from the presidency and from the political process in general." This system was used with great success in Hong Kong, which used to be one of the world's most corrupt places. There a five-member commission beyond reach of any influence, invested with full powers, enabled to penetrate bank secrecy, tap telephones, open mail, and perform tracing operations, obtained resounding success.

According to the Liberal Party secretary, Fernando Botero Zea, a member of the Corruption Prevention Commission, the Council mechanism is not the best because of its direct dependence on the office of the presidency and also because placing an illustrious unknown at its head may generate some incredulity. He feels that the person who chairs the commission must be a leader without political ambitions and with an impeccable personal background and integrity. But recently some people have felt it is better to have one bird in the hand than 100 in the bush. Those persons now speaking out on the issue also believe that the investigators should have no restrictions, and must make use of random checks in the investigation process (selection of the officials to be investigated almost by roulette). This system is used in the United States to check only 4 percent of income tax returns and it has had great success. In Colombia, 100 percent of the tax returns are reviewed, and tax evasion continues to mount. The general conclusion is that, in addition to expanding the possibility of detecting corrupt practices, it creates an important deterrent among the ranks of government officials.

A commission, according to some proposals, would not have the responsibility to judge, and after its investigations have been completed it would destroy documents if there is no evidence, or turn over the documentation to a judge if there is sufficient evidence, in order to protect the reputation of the persons selected for preliminary investigation. As technical support, it should have the

most modern investigative methods available, including a group of trial investigators with full authority, accountants, computer audits, electronic monitoring of financial movements, and the tracing of all forms of communications.

A recent study by a U.N. commission found that corruption of government employees throughout the world is 10 times higher than ordinary crime. Ultimately, the truth is that the problem is so vast in Colombia that no one knows exactly what to do. What people do agree on is that something must be done, and the sooner the better.

The 100 Billion Pesos

The following is a sample of the economic cost of irregularities perpetrated in recent months by government employees, or with their complicity:

- 10 billion lost through illegal readjustments in imports.
- 10 billion "erased" from debts owed to the National Tax Administration.
- 7.5 billion in ISS [Social Security Institute] irregularities in Atlantico department.
- 6 billion in embezzlements from national agencies.
- 4 billion in fee and toll evasions.
- 4 billion in ISS fraud.
- 4 billion in financial fraud involving the Salines Concession, Central Mortgage Bank, Peoples Bank, and the Military Housing Fund.
- 2.6 billion in illegal expenditures at the National Social Security Fund.
- 2.5 billion in illicit enrichment, shortages of funds, and overbilling in the Yumbo Municipal Government.
- 2 billion in enriching customs employees.
- 1.2 billion in cost overrruns for a street in Barranquilla.
- 300 million in defrauding the ISS in La Guajira.
- 160 million in losses for unusable items in the Santa Marta Customs.
- 111 million in illicit enrichment of the treasurer of the Cundinamarca FER [expansion not given], Alfonso Osorio R.
- 80 million in tax revenues pocketed by 14 Treasury officials in Bogota.
- 77 million in liquor stamps stolen in Atlantico department.

* Regular Troops To Comprise New Mobile Brigade

91SM0220A Bogota EL TIEMPO in Spanish
23 Feb 91 p 9A

[Text] The Armed Forces took the first step yesterday toward forming Mobile Brigade No. 2: The Army Command launched a campaign to convince regular troops to stay in the Army and join the new specialized unit.

Meanwhile, last night marked the end of the second summit conference of division and brigade commanders, convened by the Commander of the Army, General Manuel Murillo Gonzalez. The purpose of the gathering was to devise new strategies to curb the wave of terrorism unleashed by armed groups.

The Department of Psychological Operations began passing out leaflets at all the garrisons in the country, providing abundant information on the benefits of belonging to one of the battalions of professional soldiers in Mobile Brigade No. 2 that will combat the guerrillas.

"You can achieve financial stability, receive special bonuses and social security by joining an institution that is dedicated to serving Colombians," says one of the promotional bulletins.

The incorporation of combatants into the special counterinsurgency force comes two weeks after the National Security Council ordered the formation of mobile brigades for the Army and special police patrols, which will be responsible for protecting the pipeline networks and the national power system.

About 1,200 highly trained men will make up the new Mobile Brigade. The regular soldiers who answer the Army's call will merely receive two or three months of retraining.

It was revealed that a special plan is being drawn up to have these professional soldiers go out and operate with patrols of combatants who have been in guerrilla-controlled areas for a long time.

Meanwhile, Defense Ministry sources reported yesterday that the summit of division and brigade commanders produced major changes in the management of the antiguerrilla effort.

Gen. Murillo was accompanied by Major General Farouk Yanine Diaz, second in command of the Army, and the chiefs of the military intelligence services.

The military strategists redesigned current plans and debated the recent criticism that the military had failed to respond quickly to subversive attacks.

Paraguay

President Laments 'Brawl' During ANR Meeting

PY0604150291 Asuncion ABC COLOR in Spanish
6 Apr 91 p 3

[Excerpt] On 5 April, President Andres Rodriguez lamented the big 'brawl' that took place on 3 April during a meeting of the Colorado Party executive board. He also expressed his regret that his preaching for unity and harmony has not been heard within the ANR [National Republican Association]. "I am very sorry for what happened between my fellow party members," he said.

As for Luis Maria Argana's [former foreign minister and acting ANR president] frequent criticism of his government, the chief of state said that he would have no problem in speaking with him to clarify matters.

Regarding the upcoming municipal elections, he stated that the votes in the ballot boxes will decide who will be the new mayors. [passage omitted]

Foreign Periodicals Allowed Entry for Now

PY0504140991 Asuncion ABC COLOR in Spanish 5 Apr 91 p 11

[Text] Distributors have reported that foreign periodicals were allowed to enter the country on 4 April without any difficulty in clearing customs at Asuncion's airport. The distributors also expressed their concern over the impending application of import duties through Law No. 48 of 27 December 1989, a law the distributors have labeled unjustified. The incident has also involved the diplomatic sector: The Argentine ambassador has formally asked the government to allow the entry of periodicals.

"For the time being," customs authorities have made their position more flexible and have allowed Brazilian and Argentine periodicals to enter the country.

Despite the momentary lifting of the barriers, high-ranking Finance Ministry officials have announced that they will study the application of a duty that is not too expensive for distributors, taking into account the fact that the law is indeed in force and cannot be circumvented until it is repealed.

Proposed Reorganization of Colorado Board Rejected

PY0504134191 Asuncion ABC COLOR in Spanish 5 Apr 91 p 13

[Excerpt] The effort by internal sectors of the Colorado Party to achieve an agreement to overcome the conflicts that have been escalating recently has failed. A proposal to reorganize the executive board and establish a collegium was rejected by the Argana faction [named after the former foreign minister and current acting president of the Colorado Party], so the many meetings that have been held have turned out to be unsuccessful.

The idea of reaching an agreement between party factions through a reorganization of the executive board—as promoted by the Democratic Alliance faction—did not come to fruition on 4 April because the Argana faction rejected the proposal. Several meetings between the internal factions were held at the party headquarters, but the attempt to establish "peace within the party" failed. [passage omitted]

Peru

Terrorist Attacks Throughout Lima Reported

PA0604050391 Paris AFP in Spanish 0444 GMT 6 Apr 91

[Text] Lima, 5 Apr (AFP)—Terrorist commandos attacked with bombs the Embassies of Japan, Israel, Colombia, Canada, and the United States on Friday night, 5 April, during a power outage caused by the explosion of utility towers, which left the Peruvian capital and a wide coastal region in the dark, the police have reported.

Alleged rebels threw a car-bomb at the Japanese Embassy, located in Barranco District, southern Lima.

An explosive device was hurled, using a homemade mortar, at the U.S. ambassador's residence, on the central Arequipa Avenue. The attacks caused structural damage but no casualties, the police source reported.

The interruption of electricity at 2100 (0200 GMT) occurred almost simultaneously with a chain of 20 dyanmite attacks against banks in various areas of Lima, according to the reports.

The subversive escalation took place while President Alberto Fujimori is visiting the Japanese city of Nayoya, where he will attend the annual assembly of IDB [Inter-American Development Bank] governors.

Three unidentified individuals pushed a vehicle loaded with 10 kg of explosives toward the Japanese Embassy, antiterrorist police units said. The explosion caused serious structural damage on the building.

At the same time, bombs were hurled from moving vehicles at the Embassies of Israel, Canada, and Colombia in residential neighborhoods, causing minor damage to the buildings, the police reported.

In one of the bank agencies, located in a factory district west of Lima, a fire started, which required firemen to be called to the scene.

In Chaclacayo, 30 km east of Lima, three high tension towers were downed, while a shootout broke out in the populous neighborhood of El Porvenir after three alleged subversives placed explosives in a local bank, it was reported. Nobody was reported wounded in the shoot-out.

The power outage affected towns from the northern part of Chimbote, 400 km north of Lima, up to Nazca, 350 km south of the capital.

The Arms Plaza of Lima, where the government palace is located, was closed to traffic, while police security was increased throughout the Peruvian capital.

Situation 'Returning to Normal'

PY0604133691 Lima RTP Television Network in Spanish 1311 GMT 6 Apr 91

[Text] There was a wave of terrorist attacks last night after a general blackout that left our city in darkness.

The most serious attack was against the Japanese Embassy, where terrorists exploded a car bomb which, luckily, did not result in any victims. The violent explosion, which was heard over an area of several blocks in the Jesus Maria District, scattered vehicle parts over 40 meters.

At the same time, an explosive device was detonated a few meters from the Crillon Hotel, where Vice President Maximo San Roman—who is currently acting for President Alberto Fujimori—was attending a concert. One person was injured and was immediately taken to a local hospital in a police car.

The attacks took place after a general blackout that affected several provinces throughout the country. The blackout occurred at 0850 [0150 GMT], and attacks were carried out against shops, embassies, and bank premises. Police mobilized several men to counter the wave of attacks and at the time of this report, the situation is returning to normal.

Attacks Knock Out Electricity

PY0704204091 Madrid EFE in Spanish 0116 GMT 7 Apr 91

[Text] Lima, 6 Apr (EFE)—A spokesman for Electrolima [Lima Electric Power Enterprise] reported today that as a result of the blackout caused by terrorist attacks on utility towers, only 40 percent of Lima has electricity. The terrorist groups had not attacked high tension pylons for almost a year when four pylons were sabotaged on 5 April. As a result of the sabotage, there has been a power outage in the towns of Ica, south of Lima, and Huancayo, 415 km southeast of Lima in the central mountain region.

After the 5 April attacks, 90 percent of Lima was left in darkness. Today, however, 40 percent of the city has electricity.

The terrorist attacks damaged four high tension pylons on the outskirts of Lima; these pylons are considered strategic. To solve the problem, a thermoelectric plant was put into operation to ensure the supply of electricity to the Peruvian capital. Electrolima has asked Lima dwellers to use electricity only for the most essential activities until the supply becomes normal.

The company that supplies drinking water to Lima has reported that there will be a drinking water shortage as a result of the lack of electricity to power the pumping system. There is currently a water shortage at the Lima port of Callao.

Fujimori Departs for Japan, PRC, United States

PY0504132891 Lima RTP Television Network in Spanish 1800 GMT 4 Apr 91

[Excerpts] President Alberto Fujimori departed for Japan early this morning. The president will attend the 32d Inter-American Development Bank [IDB] governors meeting in Nagoya. The president will present a document explaining his government's economic programs and will try to convince multilateral organizations to give concrete support for Peru's reinsertion into the international economic system. The president is accompanied by his wife Susana and Industry Minister Victor Joy Wa. On his return, Fujimori will stop in the PRC and the United States.

[Begin recording] [Unidentified reporter] What will you say in your message at the IDB governors meeting?

[Fujimori] This is a very special meeting. Governors will receive me at a special meeting as a truly exceptional gesture. I will then explain Peru's situation. I will talk about the situation of the country beginning with the period before 28 July [the date of Fujimori's inauguration], about our economic programs, and about projections and prospects for the coming months and years. We want the IDB and other multilateral organizations to see that we have a serious economic program that will lead to economic recovery and to fulfillment of our international obligations. [passage omitted]

[Reporter] Will you also try to find new markets for our products?

[Fujimori] Yes, that is why I am going to the PRC. The PRC has a very large market and we can place some of our products there. This trip to Japan and the PRC does not mean we are going to neglect our relations with other parts of the world, but that we are going to strengthen our economic, financial, and trade relations with Pacific countries. [end recording] [passage omitted]

Fujimori To Communicate More With Congress

PY0504225491 Lima EXPRESO in Spanish 26 Mar 91 p 2

[Text] President Alberto Fujimori's conciliatory remarks to a local morning newspaper, which reports that he will improve his contacts with Congress and denies that he has a negative opinion of political parties, are very welcome especially now that all types of rumors are circulating and when the economic reforms must be added to the strengthening of the democratic institutions. "It seems that the influence of Vladimiro Montesinos [not further identified] is on the wane," one politician commented. It is public knowledge that Captain Montesinos, retired, controls a complex network of political influence that can be used as a power base, thus bypassing the institutions.

Fentup Workers Enter Congress To Demonstrate

PY0504135191 Lima RTP Television Network in Spanish 1100 GMT 5 Apr 91

[Text] A group of Fentup [National Federation of Peruvian University Workers] representatives seized congressional facilities for approximately 30 minutes [on 4 April], taking advantage of a lawmaker's entry into Congress to meet with the House speaker.

[Begin unidentified reporter recording] Until a short while ago, the Fentup workers were causing serious incidents in the vicinity of the main square. They are

now are at Congress' Hall of Lost Steps, near the door to the media room. [recorded video shows workers waving signs and shouting slogans inside the Congress building] The workers have seized the building, apparently with the support of Deputy Bernardo Dolmos. At 1400, 30 minutes after having seized the area inside the Congress building, the Fentup workers departed. [end recording]

Venezuela

Government Warns Against Violent Demonstrations

PA0704163191 Hamburg DPA in Spanish 1758 GMT 5 Apr 91

[Text] Caracas, 5 Apr (DPA)—The Venezuelan Government has warned that it will breakup any disorders stemming from the three days of violent demonstrations in which one student was shot to death and several students were injured.

University leaders have demanded that the use of guns to quell demonstrations be banned. The protests began this week in several university towns, such as in Maracaibo and Caracas.

A youth was killed on 2 April during a march in the northwestern city of Maracaibo. Another student, who is 25, is in a coma after being shot in the face on 3 April, presumably by police, during a protest at the Central University of Caracas.

Even though President Carlos Andres Perez has ordered that the incident be investigated, Defense Minister Hector Jurado gave assurances that security forces only used birdshot and tear gas while breaking up the operation and blamed groups of "masked" individuals for the shots. A Defense Ministry communique says that no "masked" individuals will be allowed in demonstrations. Those caught wearing masks will be arrested and severely punished.

Yesterday, about 400 students marched to Congress to demand that a law be enacted to forbid the police from using firearms to break up demonstrations. "We cannot allow people to get killed every time there is a protest," said Luis Fuentemayor, Caracas rector of the principal Venezuelan university and leader of the march."

Two students were killed at the end of March in the Andean towns of Merida and Trujillo in what student leaders described as violent police repression. The marches during the last few days were aimed at protesting police actions.

* Industrialist Assesses CAP's Economic Policy

91SM0238A Caracas EL UNIVERSAL in Spanish Second Section 5 Mar 91 p 4

[Article by W.M.Z.]

[Text] The Venezuelan industrial sector is concerned about the lack of cohesion and aggressiveness demonstrated by members of President Carlos Andres Perez' [CAP] economic team in moving forward with the program of macroeconomic adjustments launched in February 1989.

Indeed, that program of economic adjustments has visibly lost its thrust, direction, and energy, and with the advent of the Persian Gulf crisis in August of last year, economic officials apparently forgot their fright, immediately latching on to the illusion of a bonanza which, thank God (to quote industrial executive Freddy Rojas Parra) is already dissolving as the oil situation gradually returns to normal.

As that official explained yesterday, the year 1990 was to witness, as key elements in the strengthening of the economic package, a marked return of capital, growing private investment, application of the government's investment plan, and privatization of government-owned enterprises. None of these has yet occurred and all remain on the drawing board.

Rojas said that this year was also to see income tax and financial system reforms, along with the reorganization of national companies in the areas of public services, customs, and ports. However, none of these has come about either.

The industrial executive, former director of the Central Bank of Venezuela (BCV), said the inevitable conclusion is that there is now a different arrangement of the government's economic team in charge of adjustments. Rojas Parra believes this is due to political collusion and a lack of support and backing for the ruling AD [Democratic Action], which significantly obstructs such moves undertaken in February 1989.

However, he also noted that it worries the business sector to read in the press statements made by certain Democratic Action CEN [National Executive Committee] spokesmen to the effect that they should have knowledge of and approve any proposal to privatize government-owned businesses. In his opinion, this discourages any private action or move in that direction.

He also observed that the Venezuelan industrial sector is concerned about the progress of industrial conversion in our country, for while it has received backing and credit support from the government, because of the acceleration of the process of tariff reductions (Decree 239), combined with the fact that structural and organizational flaws in the logistical apparatus have not been corrected, one observes that the conversion process could end in a gradual dismantling of the industrial fabric.

Rojas does not believe it is merely a matter of the government's protecting for the sake of protecting or of the business sector's rejecting for the sake of rejecting. "What is essential is that we come to an agreement on Venezuela's need to move toward a supply economy, which requires as its basic element a flexible and efficient domestic productive capacity."

This preliminary candidate for the presidency of FEDECAMARAS [Venezuelan Federation of Associations and Chambers of Commerce and Industry] also reported that he, the head of Fomento [Development Bank] and a group of Venezuelan businessmen had observed the industrial conversion experiment in Spain, where the process took several years. "However, we also learned that in order for this type of process to be successful, the work of government agencies and the government itself must be coordinated with business and labor."

No Coherence

Rojas said that to date, there has been much talk of the need for coherence in President Perez' economic team, but there has been no coordinated effort on the part of Fomento, the Foreign Trade Institute, Finance, and the Ministry of Foreign Relations, among others.

He said that there has not been sufficient contact, cohesion, cooperation, or confidence in order for industrial conversion to succeed in our country. Nor have we seen the execution of the structural adjustment program aimed at attacking inflation, the scourge which is actually eroding our economy.

Turning to progress on the nontraditional export program, this business leader noted that with an idle capacity of 50 percent and signs that the GDP [gross domestic product] will grow by at least 4 percent this year, a large percentage of national production will be oriented toward the domestic market and the only exporters remaining will be those industries that have organized in order to go after foreign markets aggressively and that have acquired experience on such markets.

Guyana

Hoyte To 'Reconstitute' Elections Commission

FL0504235791 Bridgetown CANA in English 2135 GMT 5 Apr 91

[Text] Georgetown, Guyana, April 5, CANA—Reservations about the independence of Guyana's elections commission, a major point of contention among the opposition, could be removed under a proposal announced Friday by Prime Minister George Price of Belize.

Price told a press conference here that Guyana's President Desmond Hoyte agreed to consider the proposal to reconstitute the controversial elections commission, provided the political oppositon gave certain guarantees.

Price proposed this week that Hoyte appoint a new elections commission chairman from a list already submitted by the political opposition. The ruling People's National Congress (PNC) and the opposition would then each name two commission members, the official Guyana Public Communications Agency (GPCA) said.

Price, vice chairman of the Council of Freely-Elected Heads of Government, led a team to observe the registration process for elections due by year end. He was accompanied by Dr. Robert Pastor, executive secretary of the council. The Price visit, and another last week, are preparatory to the Jimmy Carter Centre of Emory University observing the elections at the invitation of President Hoyte. Opposition and pressure groups here claim past elections were plagued by irregularities.

Price said that Hoyte assured the team he would consider the proposal if the Patriotic Coalition for Democracy (PCD) grouping of opposition parties writes him by Friday, April 12, to indicate they accept the proposal without reservation. Hoyte is also requiring that the PCD pledge "not to raise any further objections about the registration and electoral procedures as defined by the law" and "promise to give public support to the constitutional amendment to effect this change (in the elections commission)."

Price and Pastor, who reported talking with more than 100 citizens, 77 enumerators, 67 scrutineers, eight deputy registrars, and three registrars during their visit, said the voter registration process was "moving forward" and "can be a success." The team, which had lengthy discussions with Hoyte as well as opposition leaders, told the press conference "prospects for free, transparent and fair elections" are good. "We believe that President Hoyte has shown his desire to have a free election and that the registration and electoral procedures are in place that will permit that to occur," he remarked.

Both Price and Pastor expressed the Carter mission's confidence that "if someone intends to interfere with the process in a significant, systematic, partisan manner, we believe that we will be able to detect such efforts." Pressed by reporters, Price and Pastor said they had held exhaustive discussions with Ronald Jacobs, the chief elections officer and commissioner for national registration, and he had satisfactorily answered all questions put to him. They said "administrative and communications problems" during the early phases of the voter registration had now been addressed effectively.

They said they had heard complaints of partisanship among enumerators, harassment of scrutineers, and politicisation of the entire election machinery, but "we found substantial evidence to support different conclusions."

Price Expresses 'Satisfaction' With Registration

FL0804133991 Bridgetown CANA in English 2123 GMT 6 Apr 91

[Excerpts] Georgetown, Guyana, April 6, CANA—Belize Prime Minister George Price, who was here to observe electoral preparations, has expressed satisfaction with the build-up to the poll and has urged support for revamped electoral procedures.

"At this time, we believe that the prospects of free, transparent, and fair elections are very good," Price told a press conference Friday after meeting voter registration personnel, the political opposition, government leaders, and others. [passage omitted]

The government has invited the [Carter] Centre and the Commonwealth secretariat to observe the elections, after persistent opposition calls for international observers to guard against recurrence of alleged irregularities in previous polls. The house-to-house voter registration was also undertaken after demands by the opposition.

"We are here because we care about democracy and we want to help all sides in the country to come together in a new respectful way to help this country fulfill its great destiny," Price said before departing.

[Dr. Robert] Pastor [executive secretary of the Council of Freely Elected Heads of Government] reported that more than 128,000 persons of an estimated 375,000 eligible voters had been registered up to March month end. Registration had initially been slow because of poor coordination between election officials and scrutineers but many problems were resolved, he said.

More than 50,000 persons were registered in the past two weeks: "In short, the process is clearly moving in the direction of a fuller registration excerise," Pastor reported.

PUC Chairman Tyndall Named After Rate Hikes

FL0404220091 Bridgetown CANA in English 2048 GMT 4 Apr 91

[Text] Georgetown, Guyana, April 4, CANA—The chairman of Guyana's newly set up Public Utilities Commission (PUC), Joseph Tyndall, was sworn in formally Thursday, promising to see that consumers got acceptable service.

Tyndall, also a minister in the Guyana Embassy in the United States, said shortly after the ceremony that the commission will need as much support is it can get from the public, the business community, and subscribers.

"Our mandate is straightforward and we will see that consumers receive a service of acceptable quality. The basis for discharging its mandate is not an arbitrary one and it will not depend on the whims of the commissioners," he said.

The commission was appointed on March 15, after two local utilities—the power and telephone companies—announced controversial rate hikes in the wake of a major currency devaluation here. The Guyana dollar went from G [Guyana] 45 dollars to 1 U.S., to a rate of G101 dollars to 1 U.S.

The majority U.S.-owned Guyana Telephone and Telegraph Company (GT&T) announced a 200-percent hike in rates, effective March 13, and the government-run Guyana Electricity Corporation, a 95-percent increase effective April 1.

Controversy over the failure of both companies to consult with the PUC—the enabling legislation for the commission was in place but no actual commissioners named—has led to the withdrawal of both hikes pending their formal consideration by the commission. The other members of the commission have already been sworn in.